

OE ENERGY MARKET SNAPSHOT

Southeast States Version – July 2009 Data

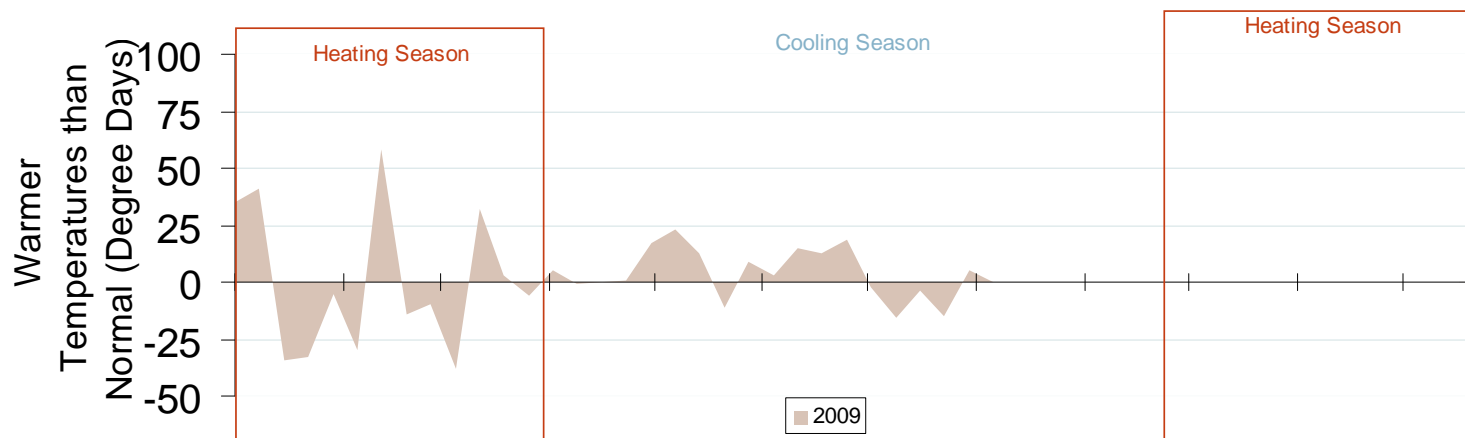
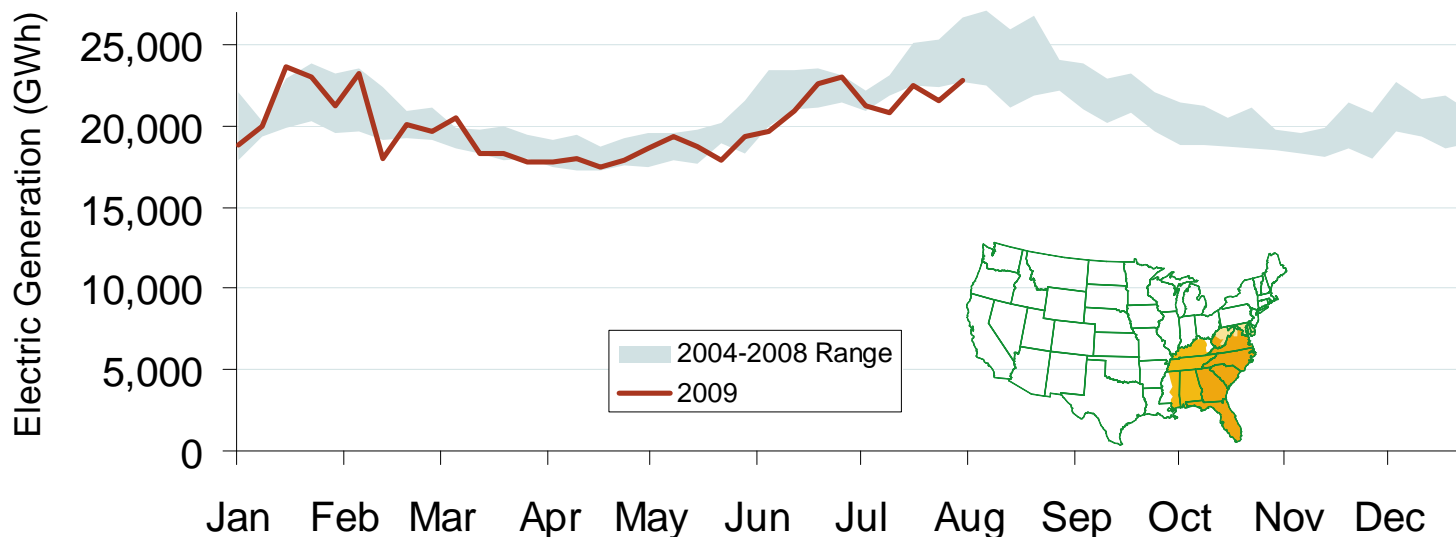
- **Electricity Markets**
- **Natural Gas and Fuel Markets**

Office of Enforcement
Federal Energy Regulatory Commission
August 2009

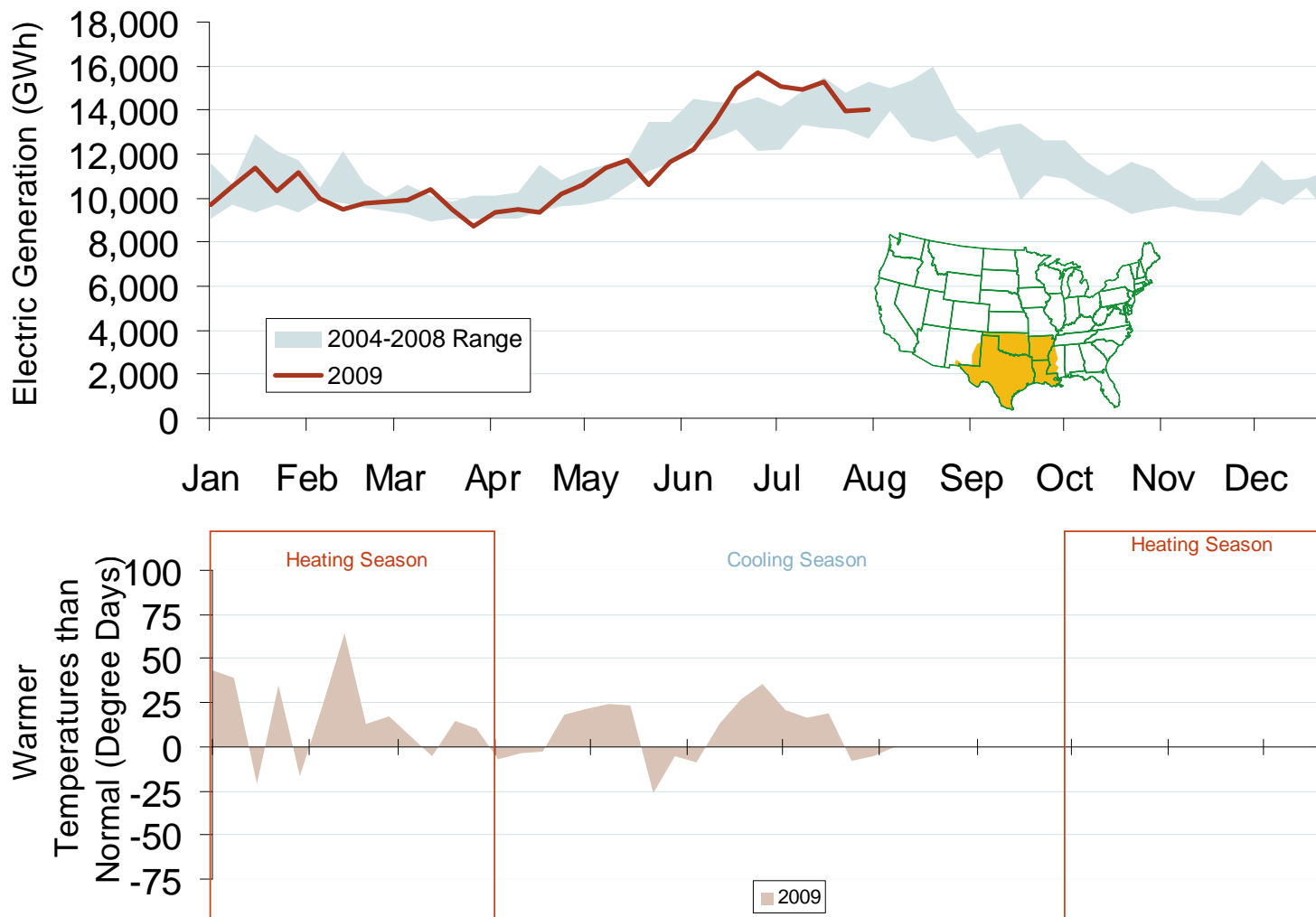
Electricity Markets

- **Industrial demand way down (page 5)**
- **Retail rates rise as wholesale prices decline (page 14)**

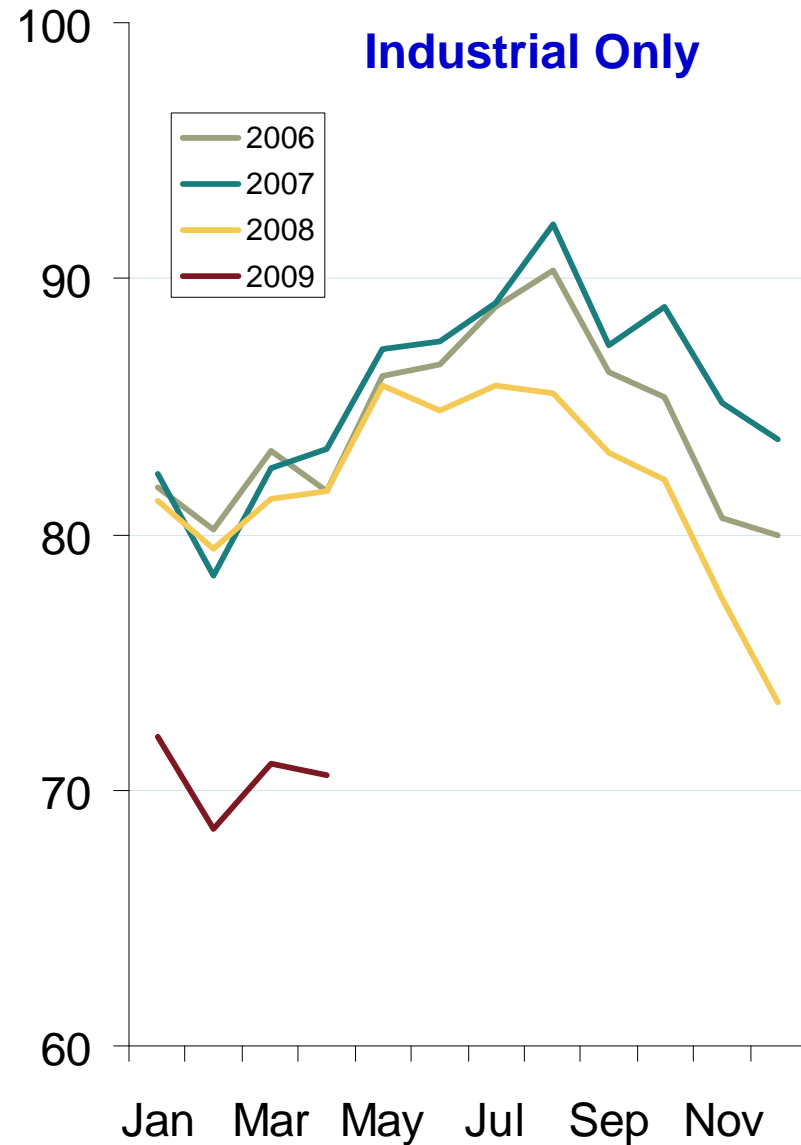
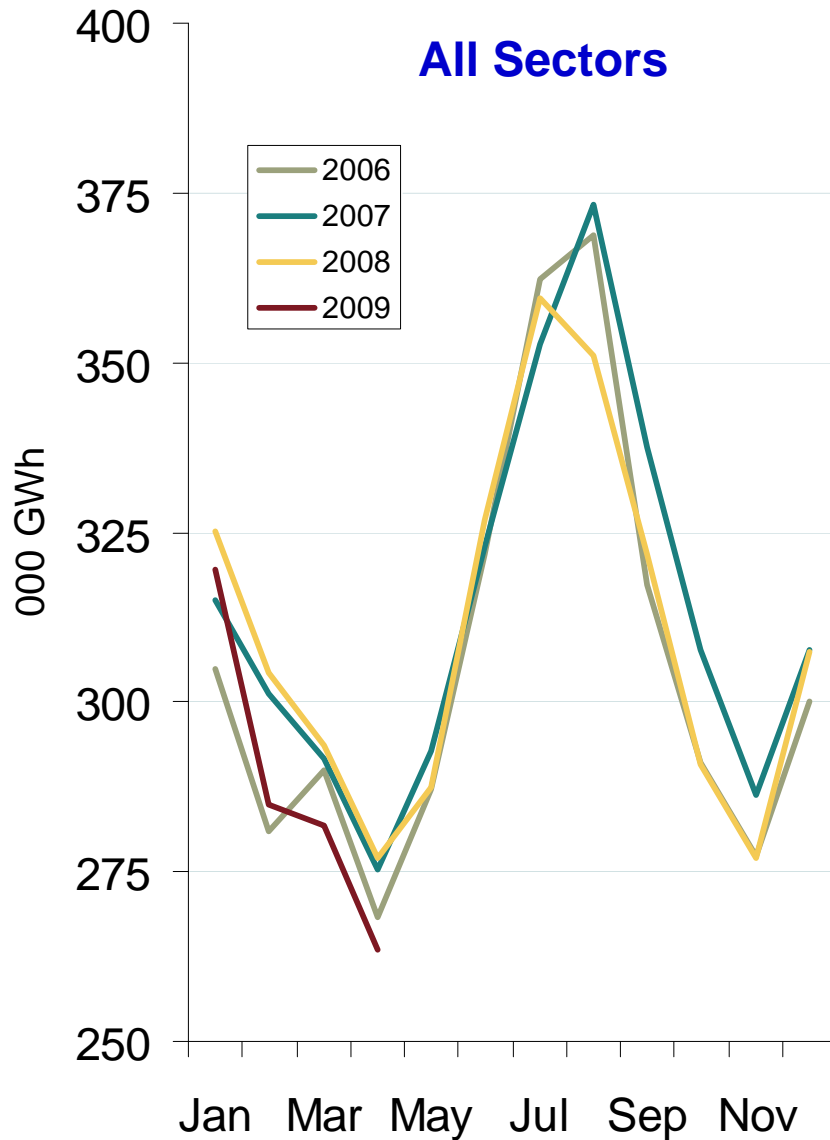
Weekly Electric Generation Output and Temperatures Southeast Region



Weekly Electric Generation Output and Temperatures South Central Region

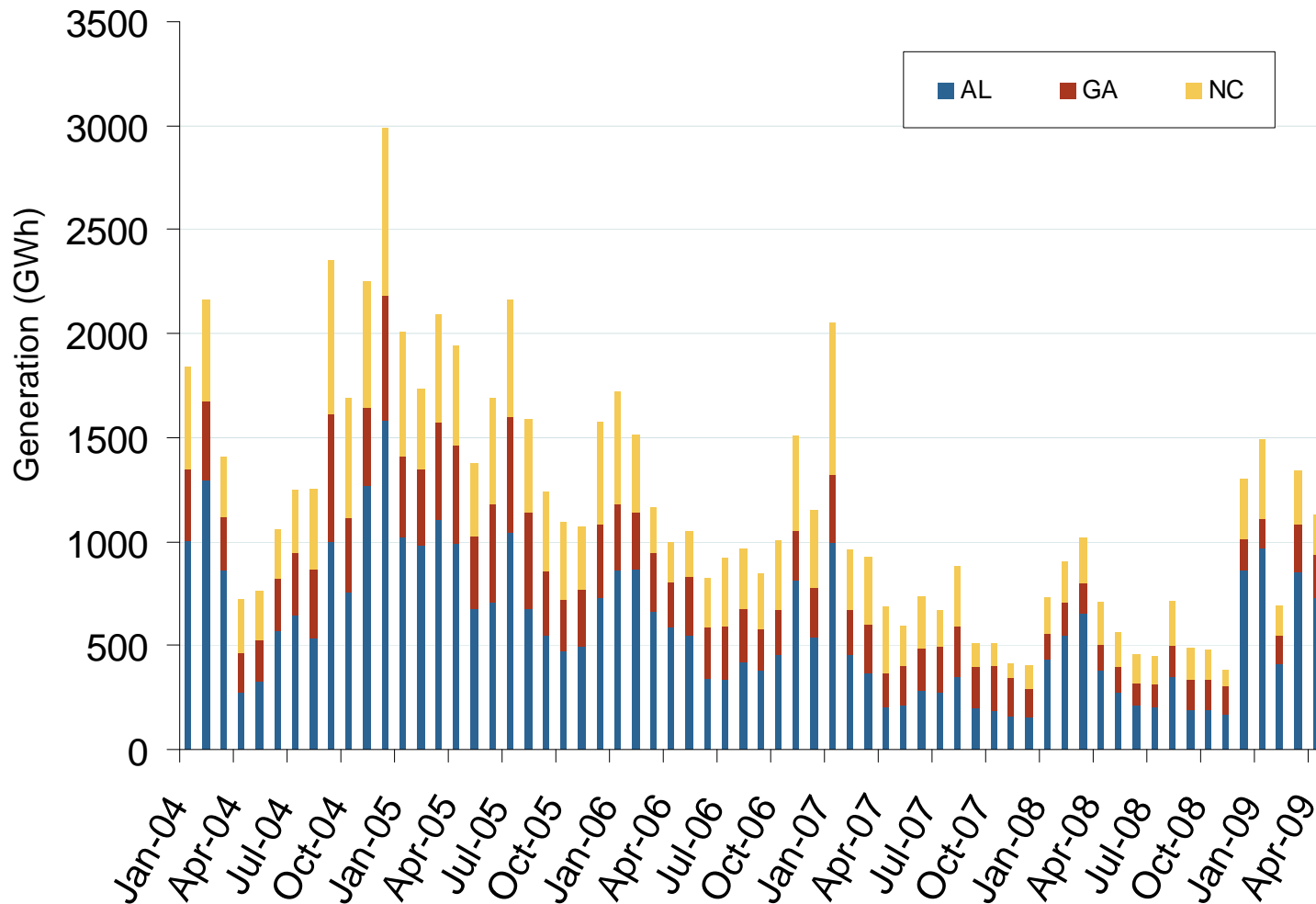


Monthly Retail Electricity Demand



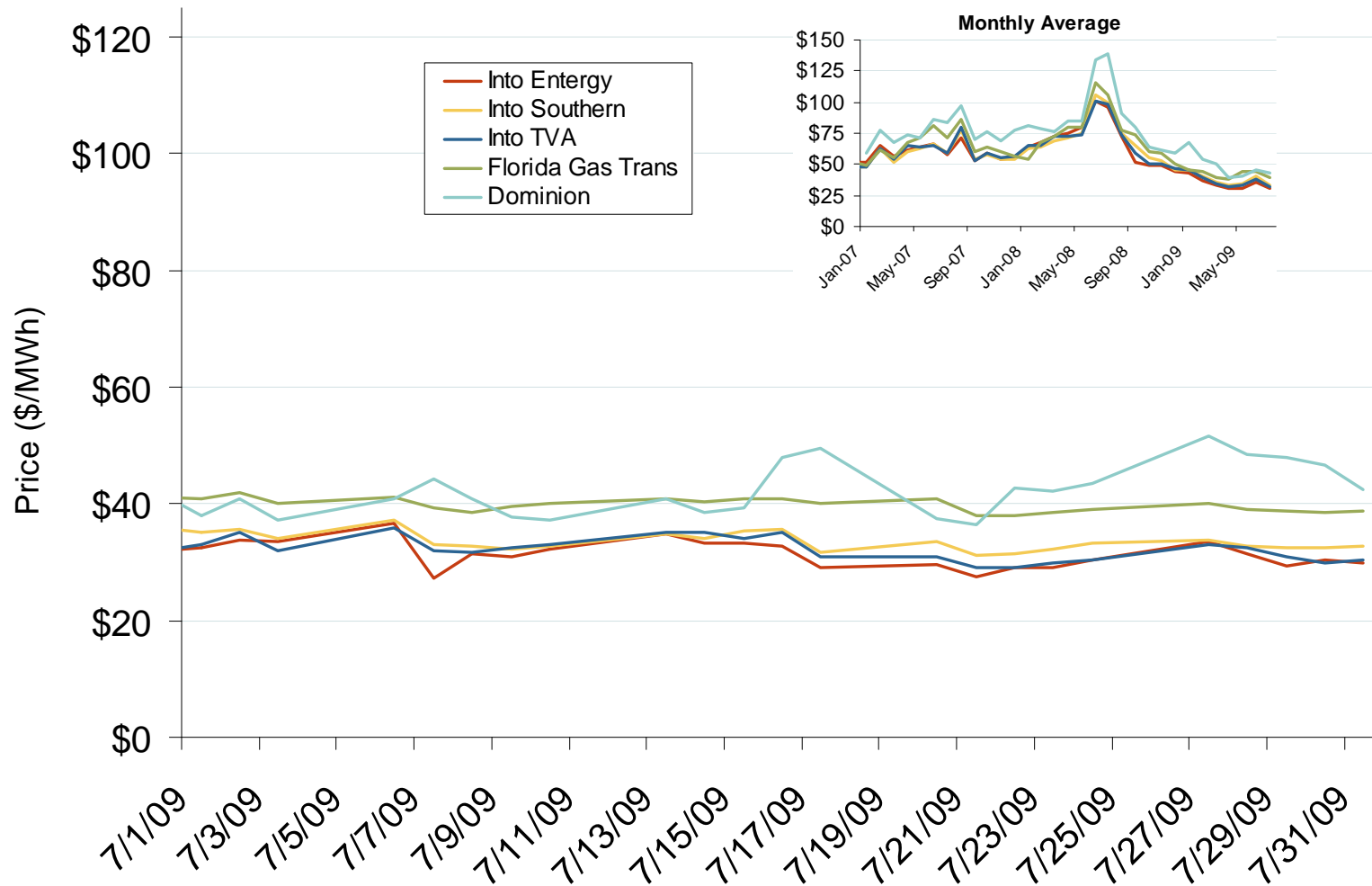
Source: Derived from EIA data.
August 2009 Southeast Snapshot Report

Monthly Southeastern Hydroelectric Generation



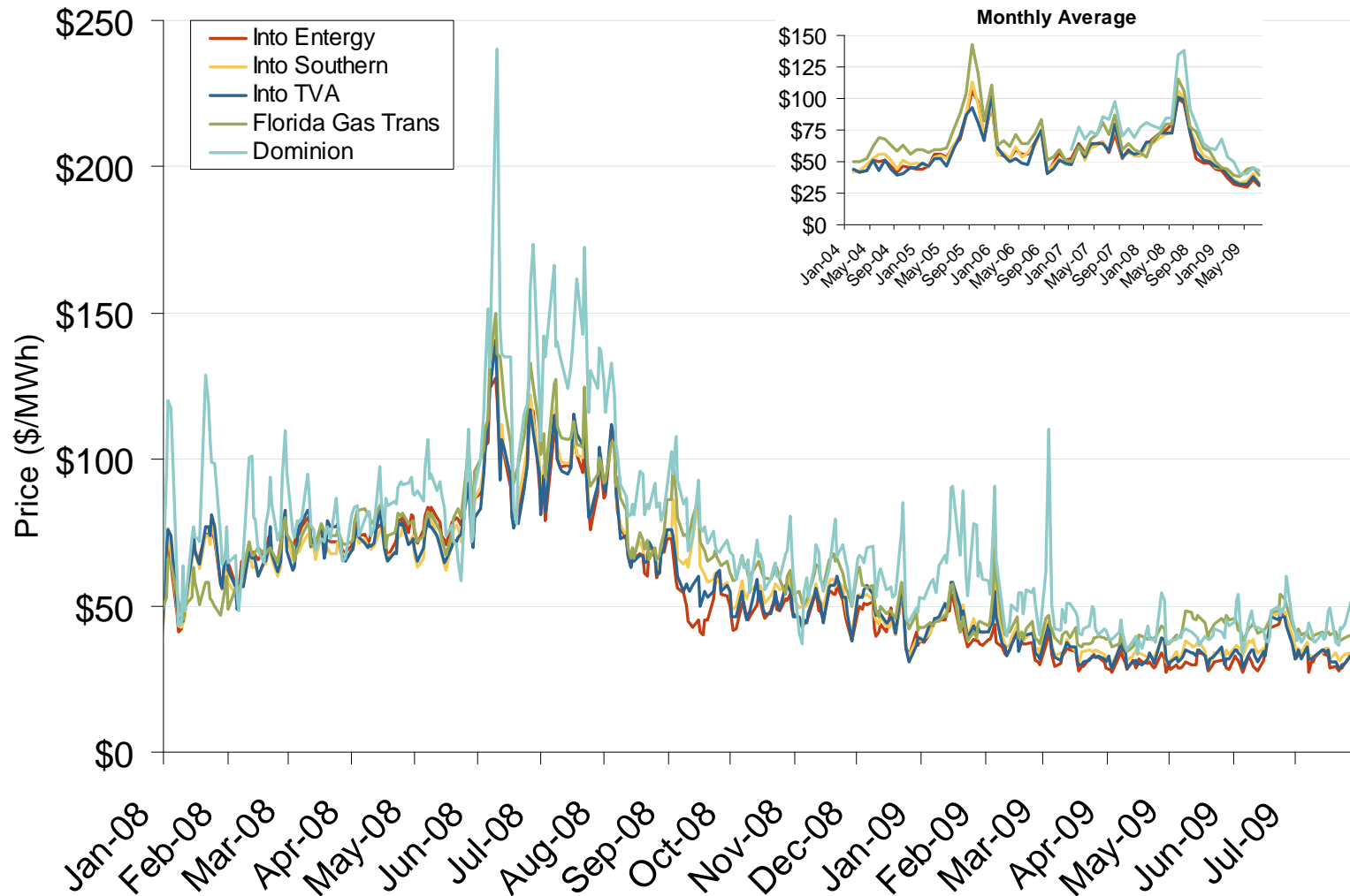
Source: Energy Velocity, Derived from EIA and EPA data.
August 2009 Southeast Snapshot Report

Southeastern Daily Bilateral Day-Ahead On-Peak Prices



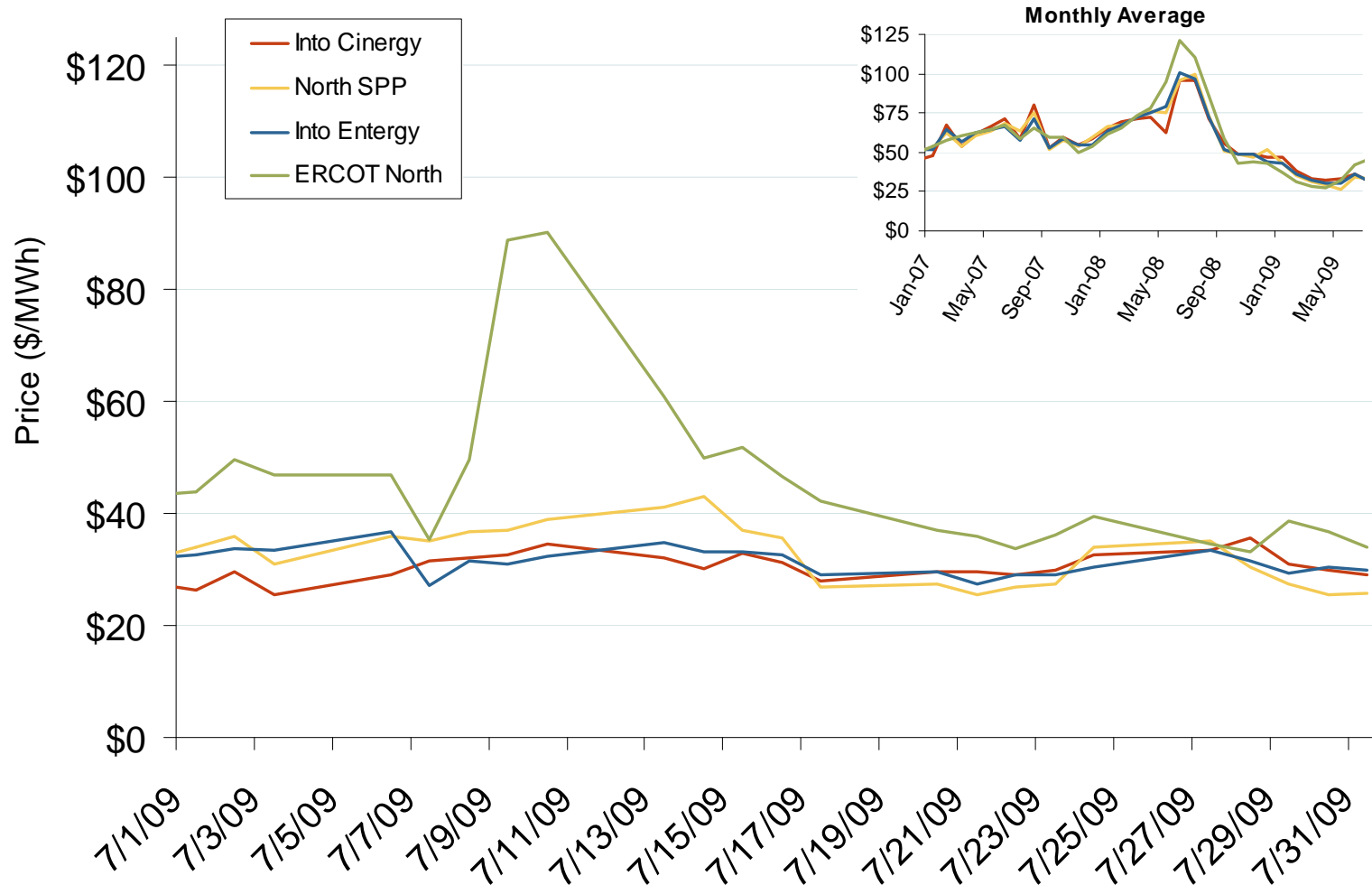
Source: Derived from *Platts* data.
August 2009 Southeast Snapshot Report

Southeastern Daily Bilateral Day-Ahead On-Peak Prices



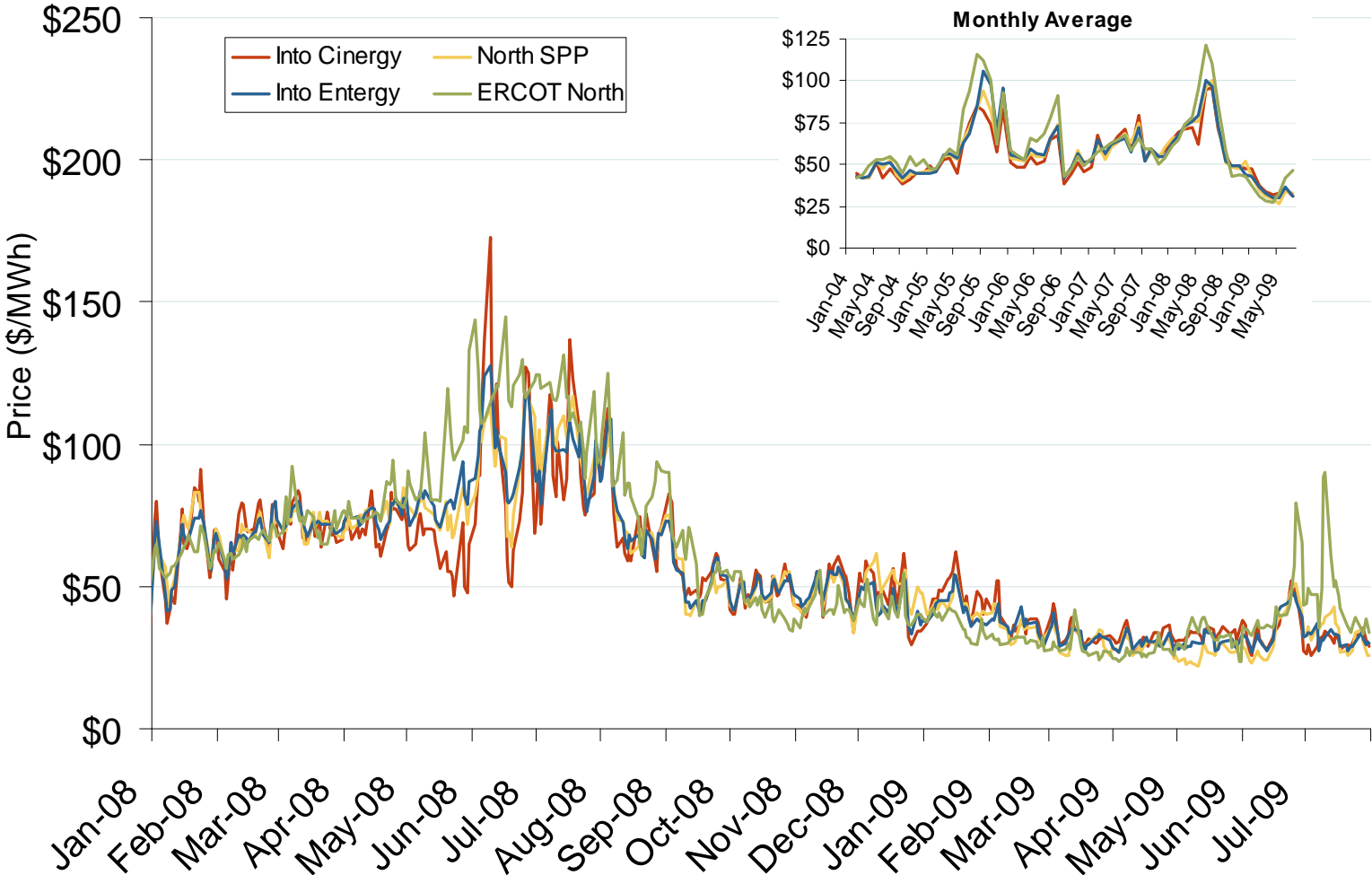
Source: Derived from *Platts* data.
August 2009 Southeast Snapshot Report

Midwestern Daily Bilateral Day-Ahead On-Peak Prices



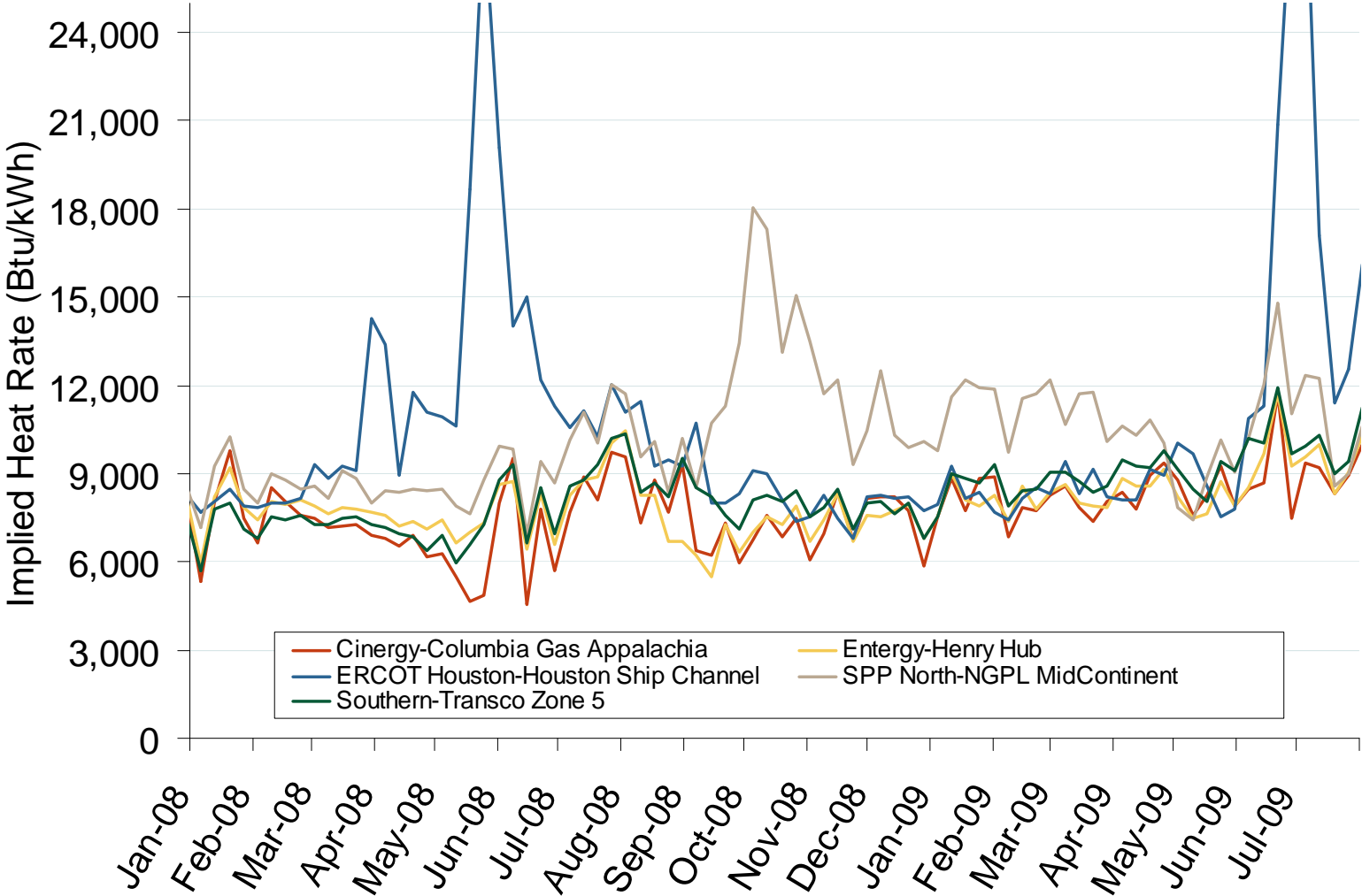
Source: Derived from Platts data.
August 2009 Southeast Snapshot Report

Midwestern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* data.
August 2009 Southeast Snapshot Report

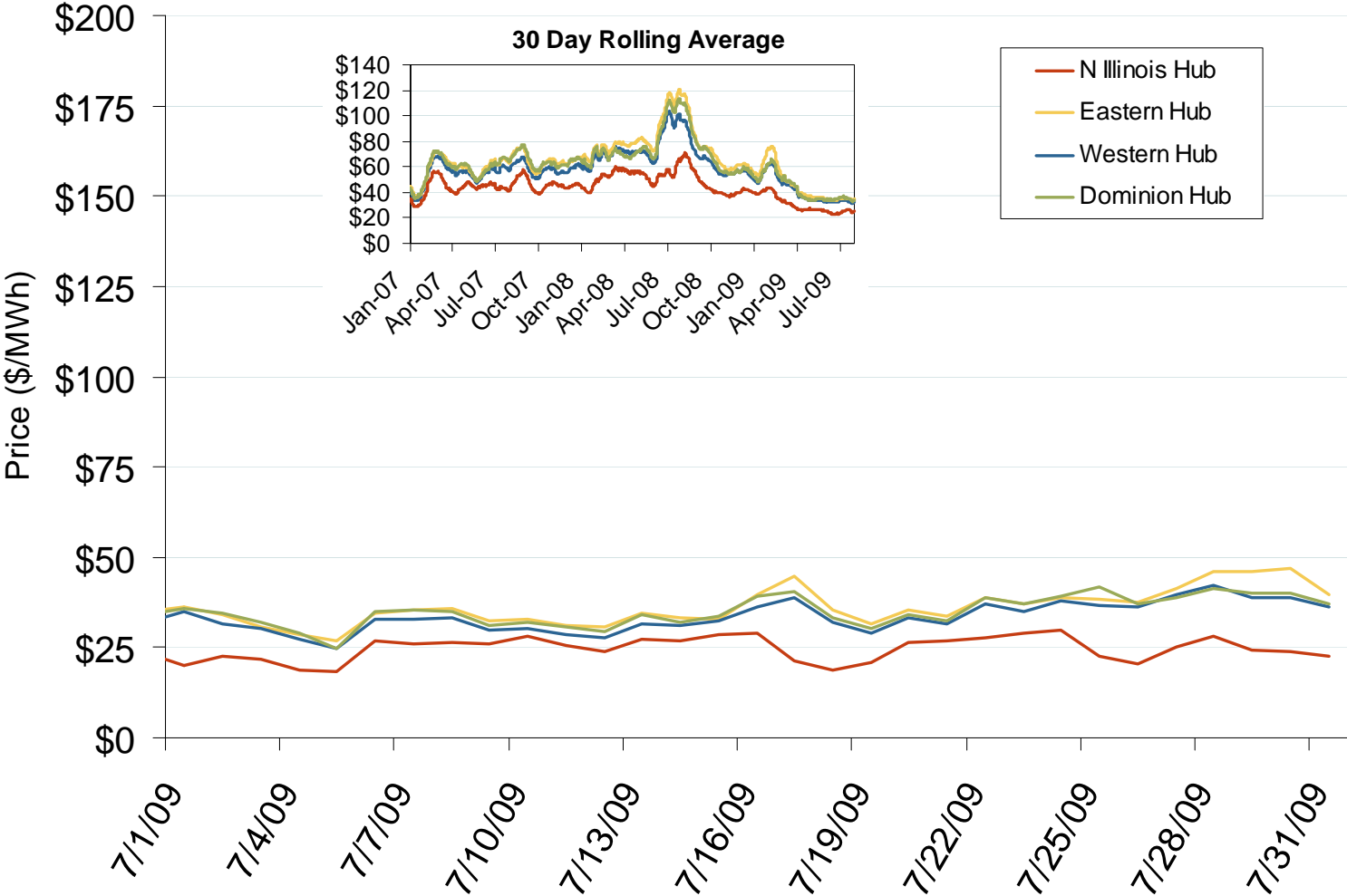
Implied Heat Rates at South Central Trading Points Weekly Averages



Source: Derived from *Platts* data
August 2009 Southeast Snapshot Report

Updated August 7, 2009

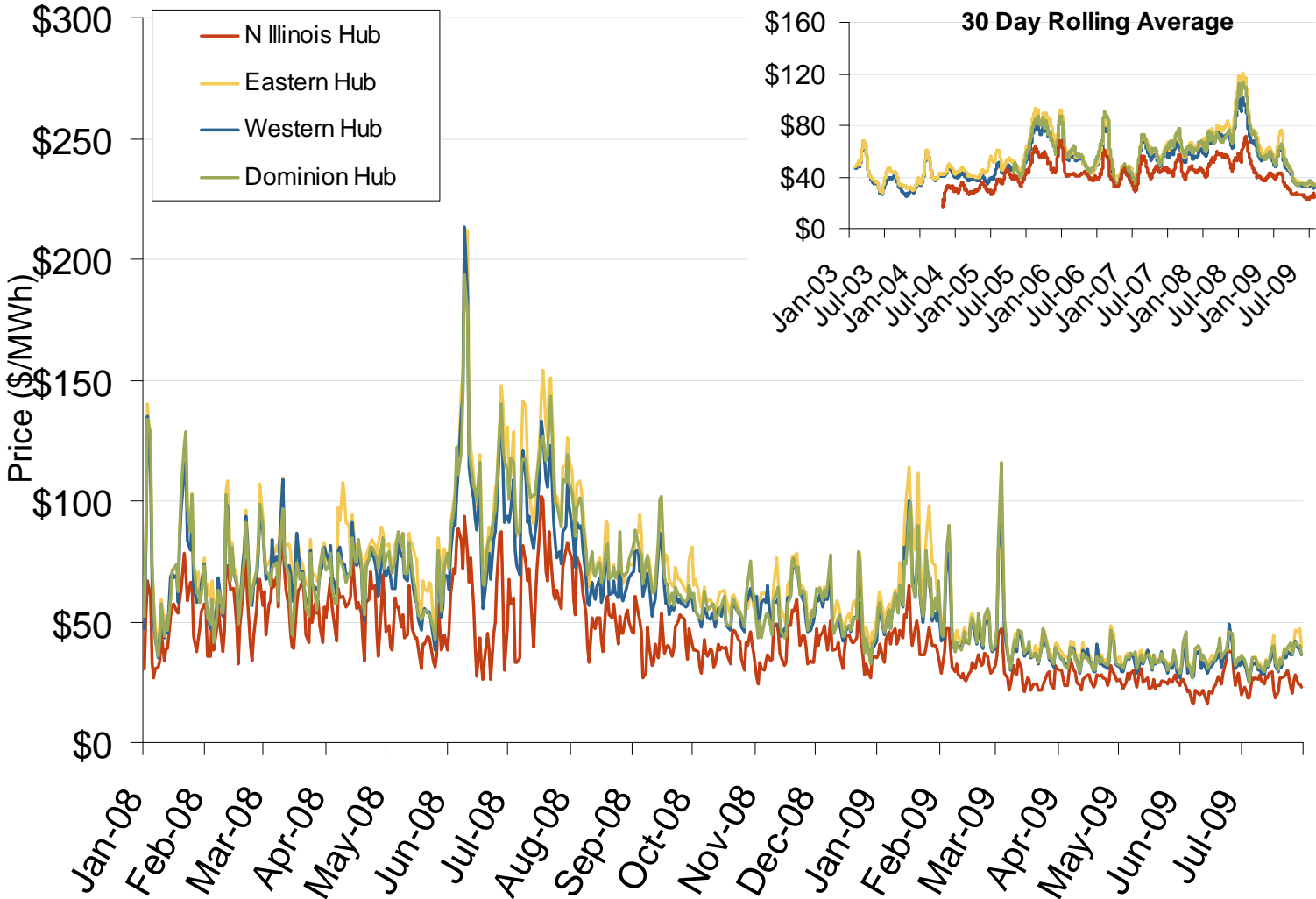
Daily Average of PJM Day-Ahead Prices - All Hours



Source: Derived by Bloomberg from PJM data as reported by Bloomberg. August 2009 Southeast Snapshot Report

Updated August 7, 2009

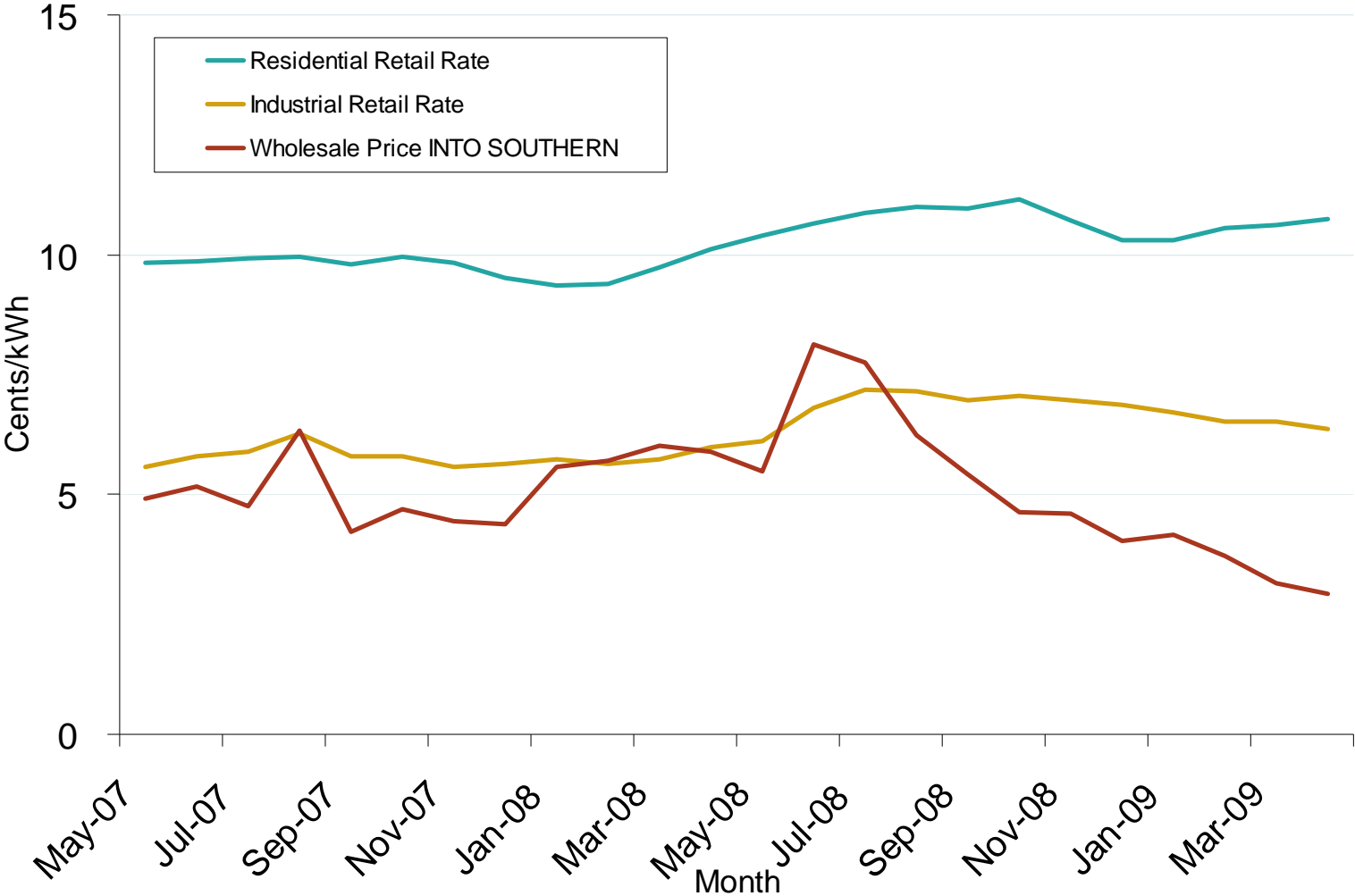
Daily Average of PJM Day-Ahead Prices - All Hours



Source: Derived by Bloomberg from PJM data as reported by Bloomberg. August 2009 Southeast Snapshot Report

Updated August 7, 2009

Southeastern Average Retail Rates and Wholesale Prices



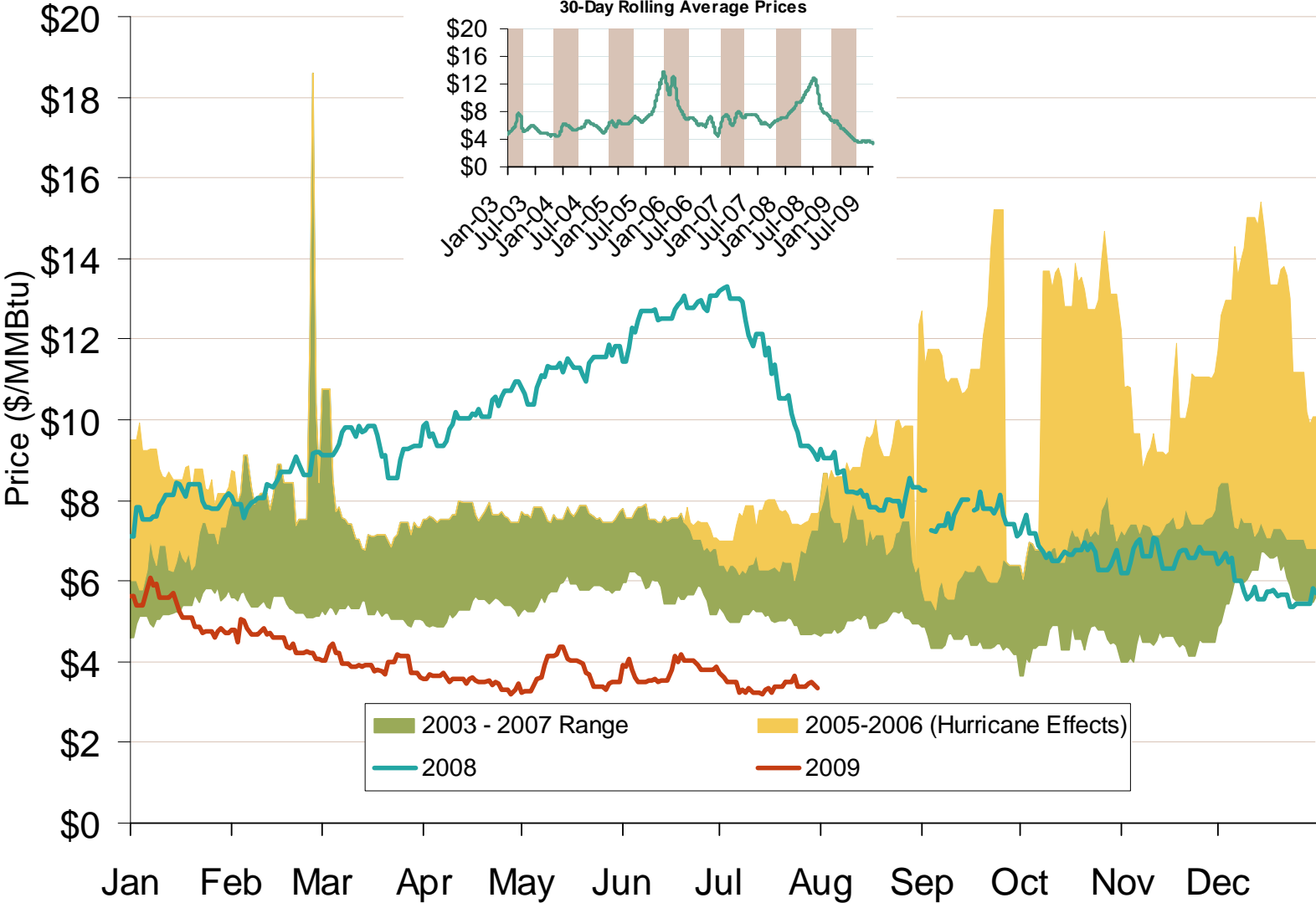
Notes: Retail rates represent average monthly rates for AL, FL, GA, LA, MS, NC, SC, and TN, weighted by sales in each state, as reported in Form EIA-826 database. Wholesale prices represent monthly day ahead indices for power at INTO SOUTHERN, weighted by peak and off-peak hours, as reported by *Platts*.

Natural Gas and Fuel Markets

- **Gas production declines (page 20)**
- **Pipeline expansions enhance deliverability of shale gas (page 24)**
- **Trends in gas trading volumes in 2009 (page 28-29)**
- **Natural gas price formation follow-up (page 30)**
- **Coal supply by basin (page 33)**

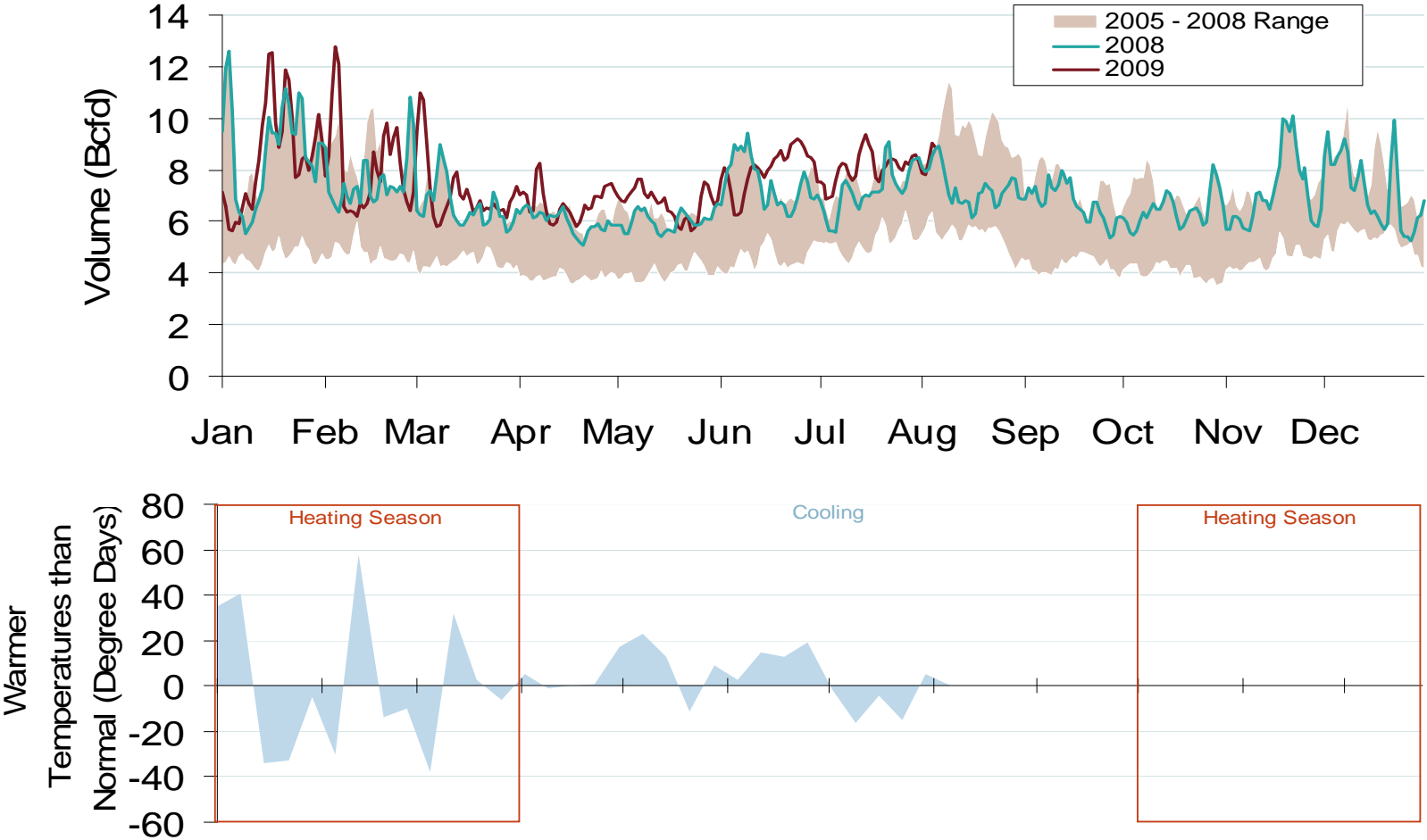
Federal Energy Regulatory Commission • Market Oversight @ FERC.gov

Henry Hub Natural Gas Daily Spot Prices 2008, 2009 and 2003-2007 Year Range

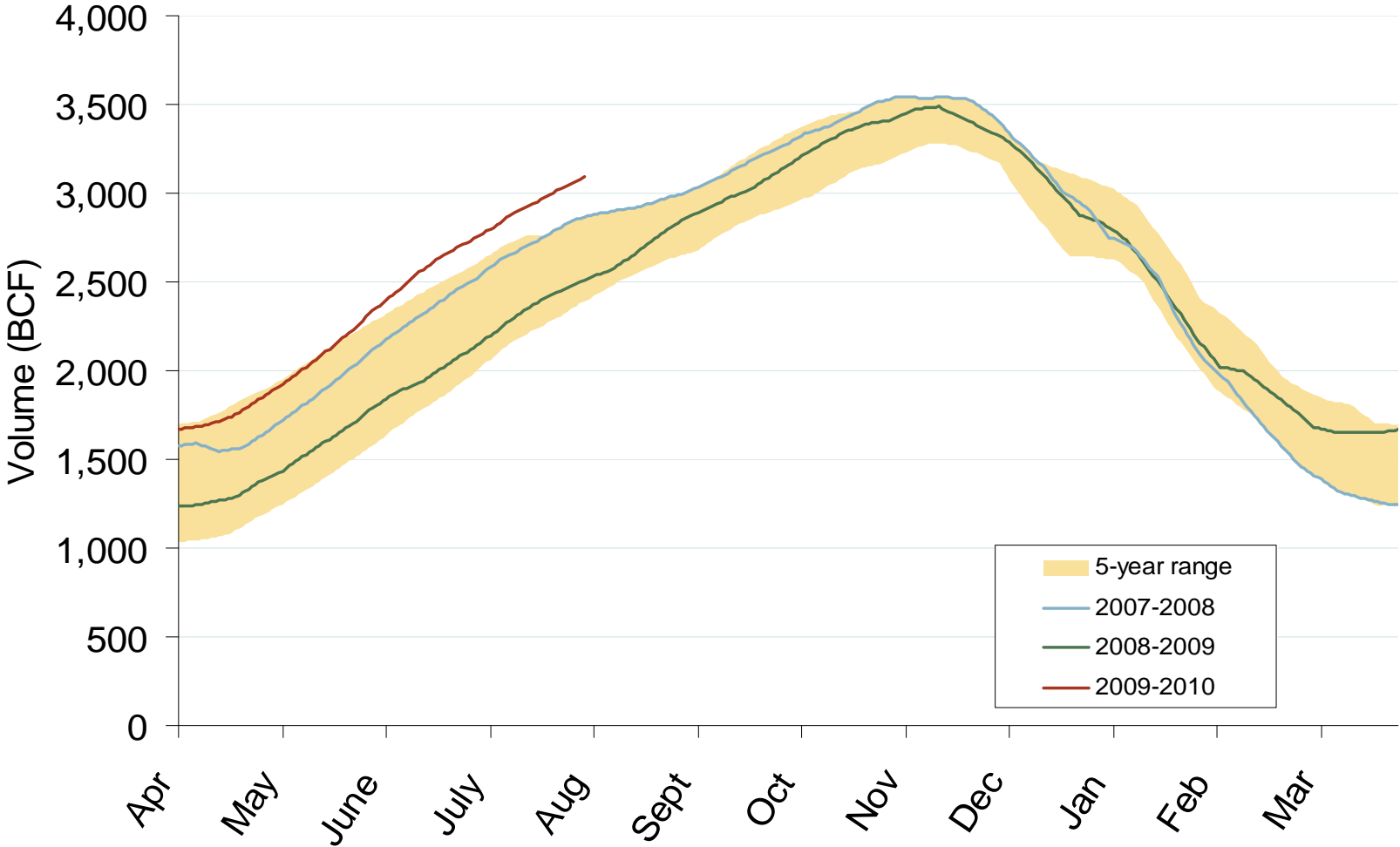


Source: Derived from *Platts* data.

Daily Southeast Natural Gas Demand All Sectors



Total U.S. Working Gas in Storage

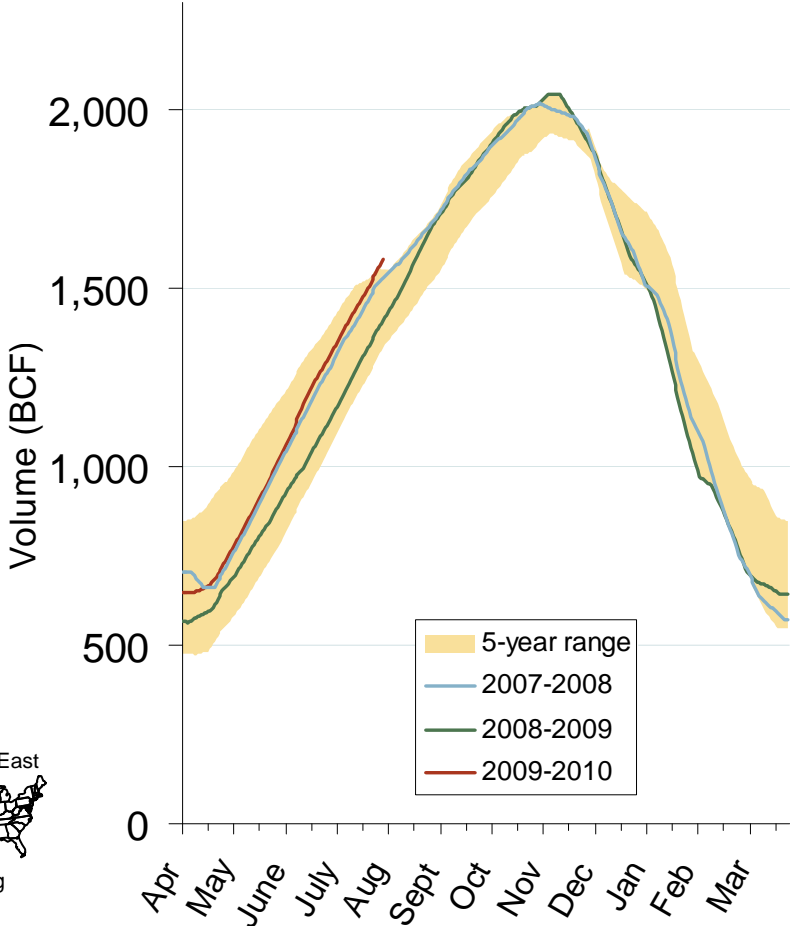


Source: Derived from EIA data.
August 2009 Southeast Snapshot Report

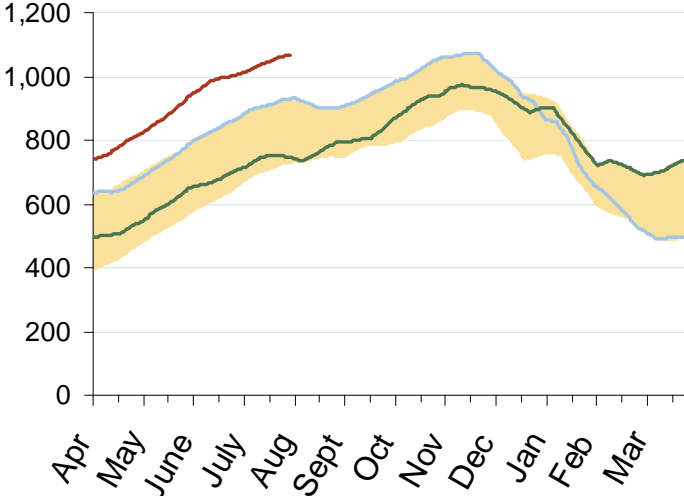
Updated August 7, 2009

Regional Totals of Working Gas in Storage

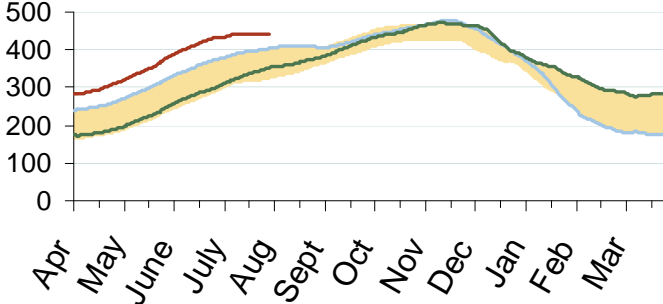
Eastern Consuming Region



Producing Region



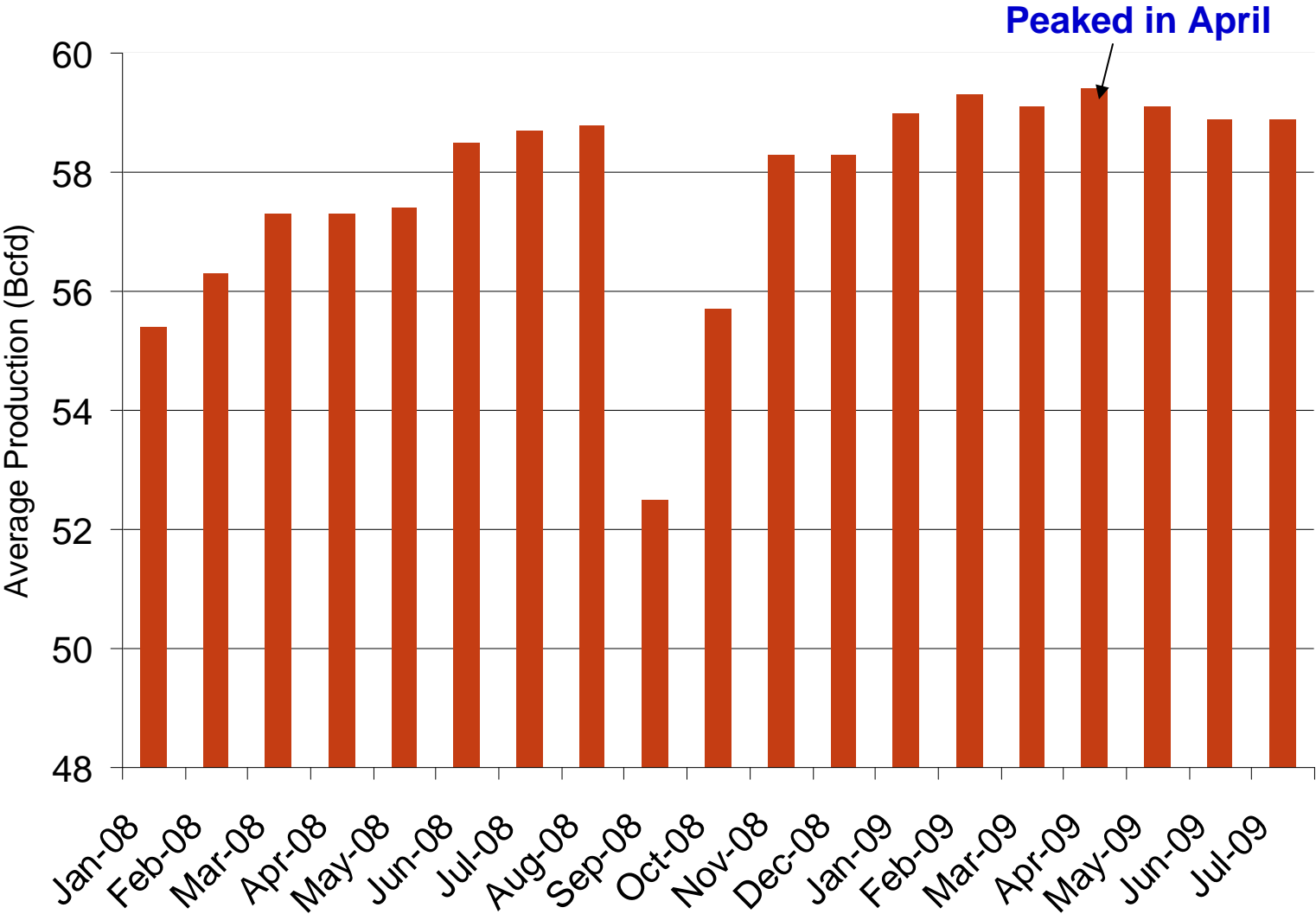
Western Consuming Region



Source: Derived from EIA data. August 2009 Southeast Snapshot Report

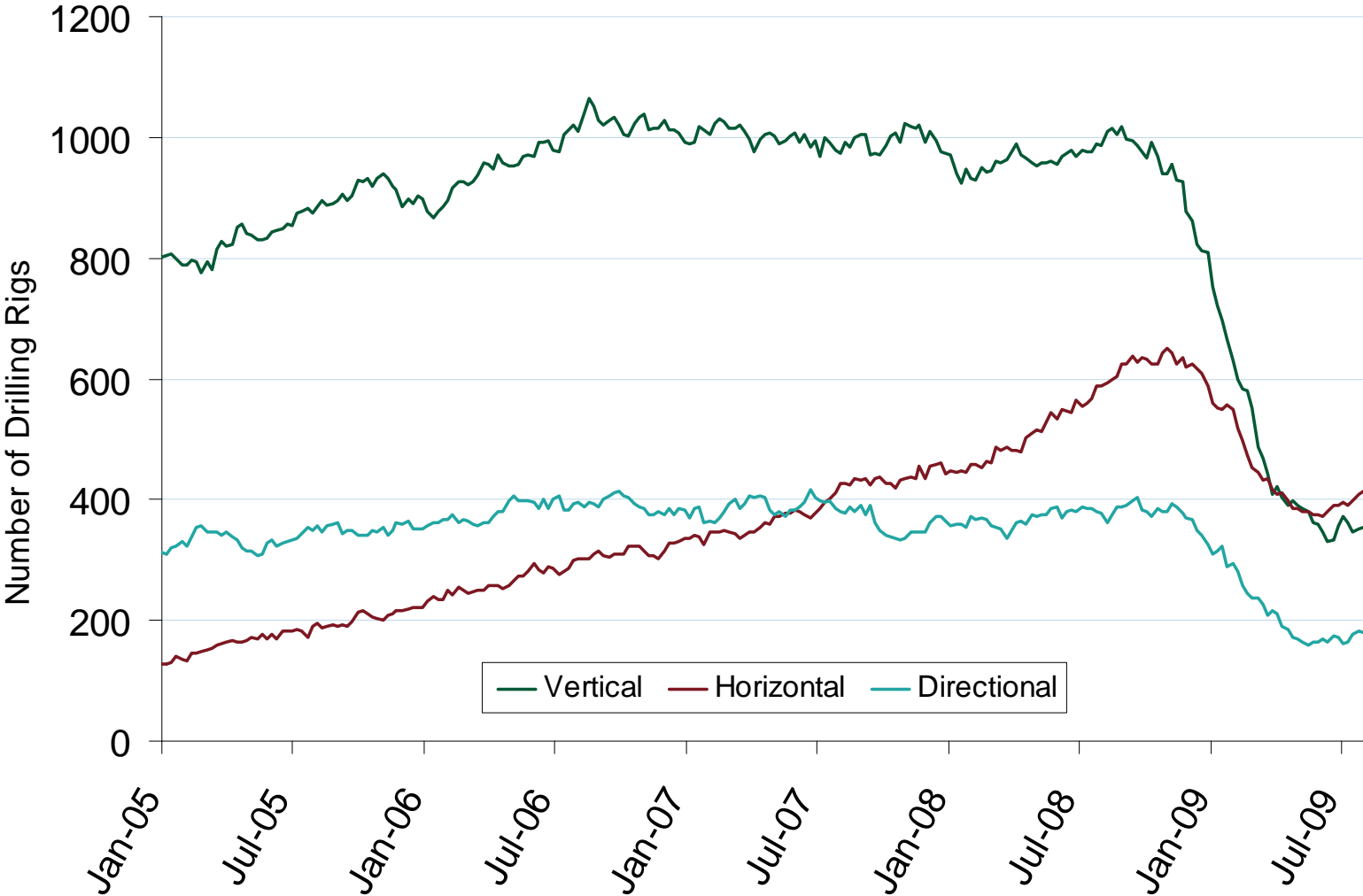
Updated August 7, 2009

U.S. Gas Production



Source: Derived from *Bentek* data.
August 2009 Southeast Snapshot Report

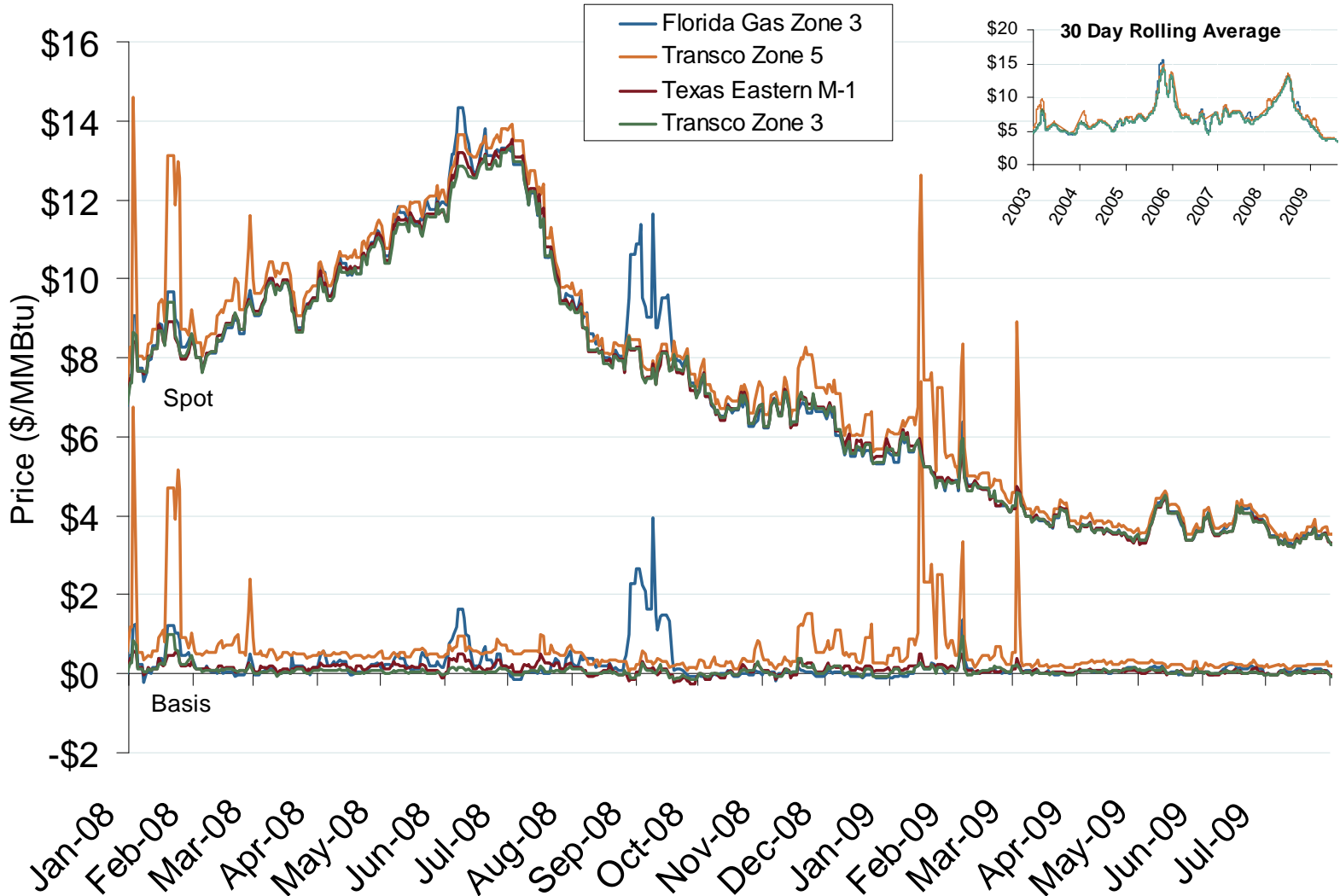
U.S. Oil and Natural Gas Drilling Rig Count by Type



Source: Derived from *Platts* and *Baker Hughes* data.
August 2009 Southeast Snapshot Report

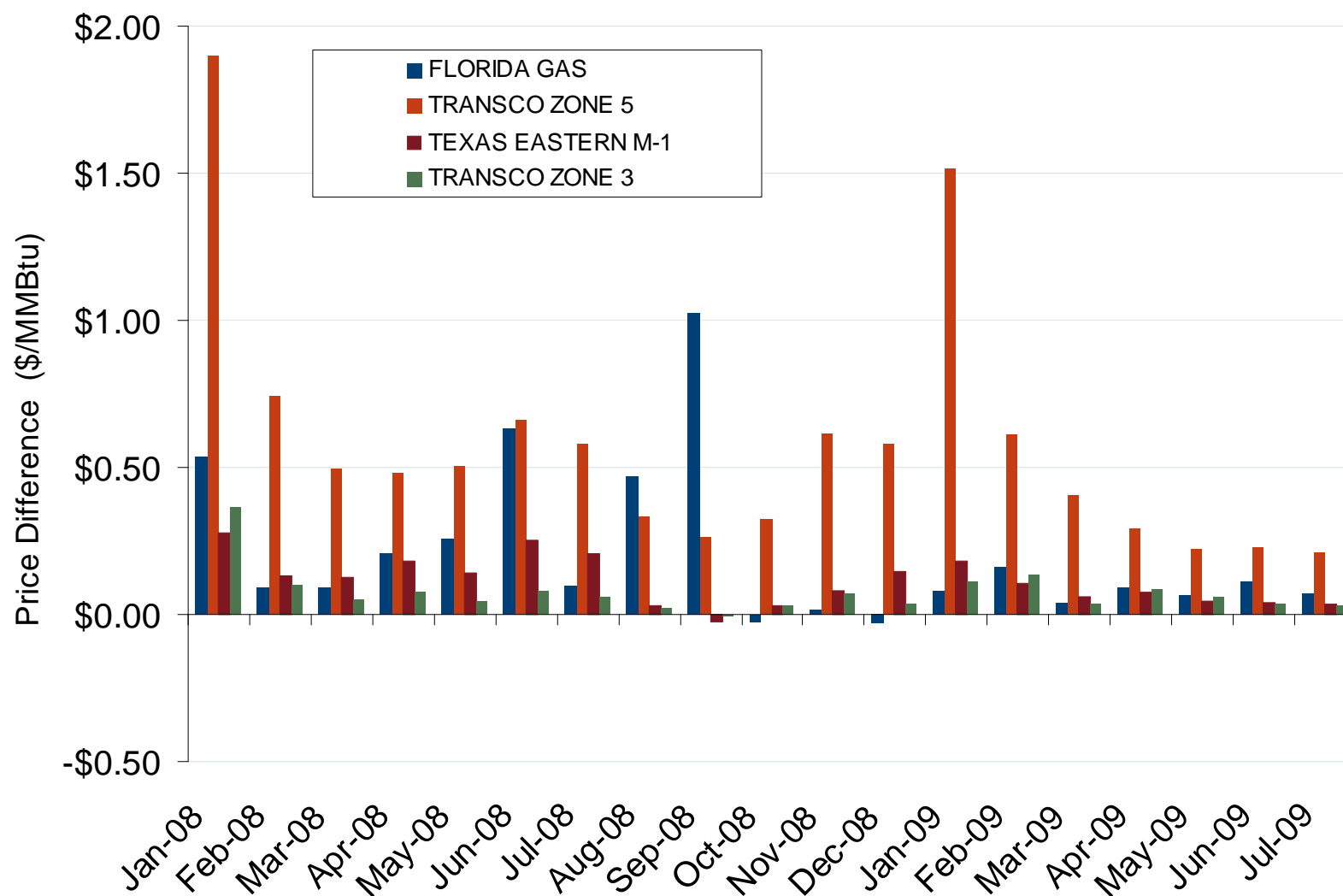
Updated August 7, 2009

Southeastern Day-Ahead Hub Spot Prices and Basis

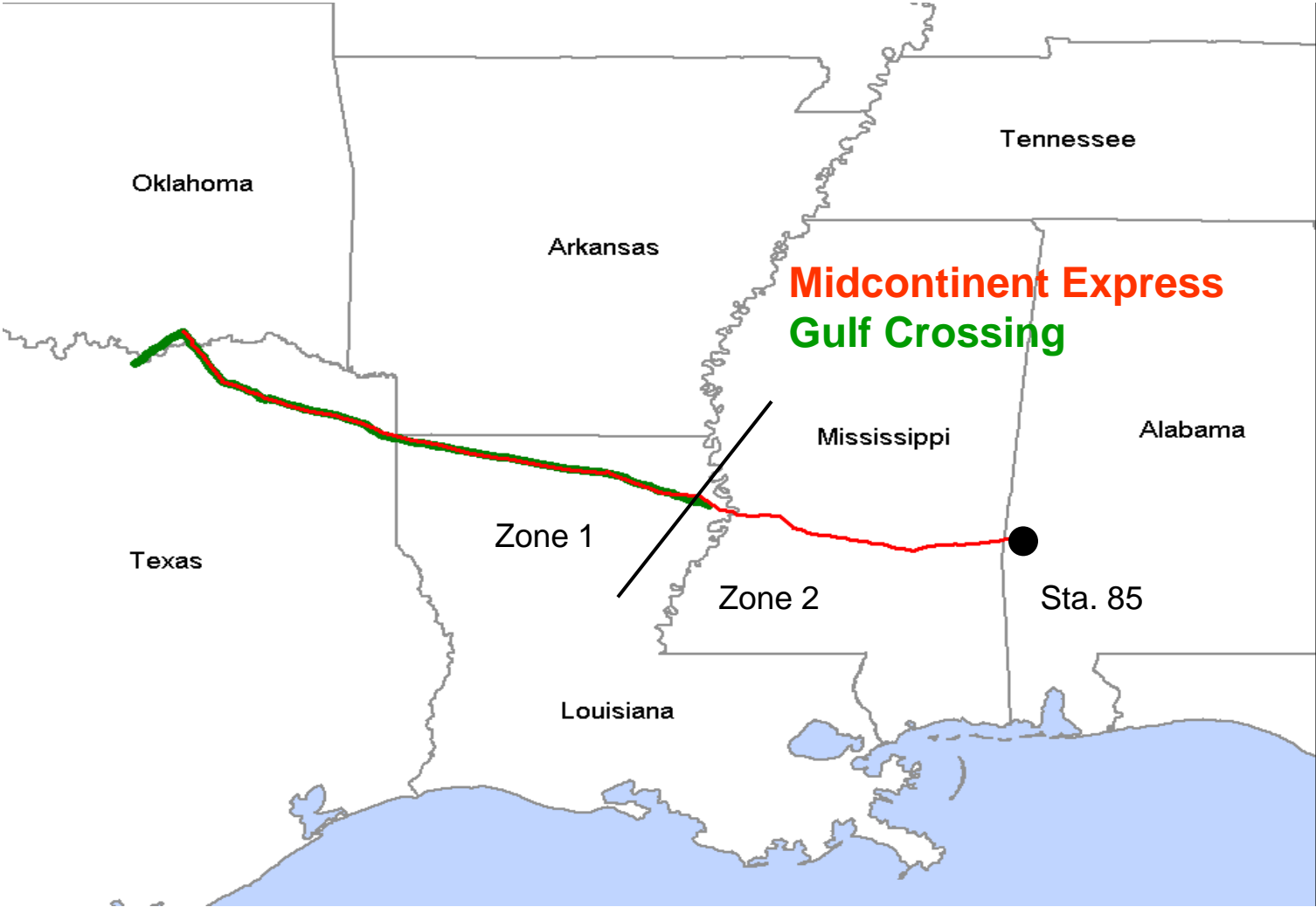


Source: Derived from Platts data.
August 2009 Southeast Snapshot Report

Southeastern Monthly Average Basis Value to Henry Hub

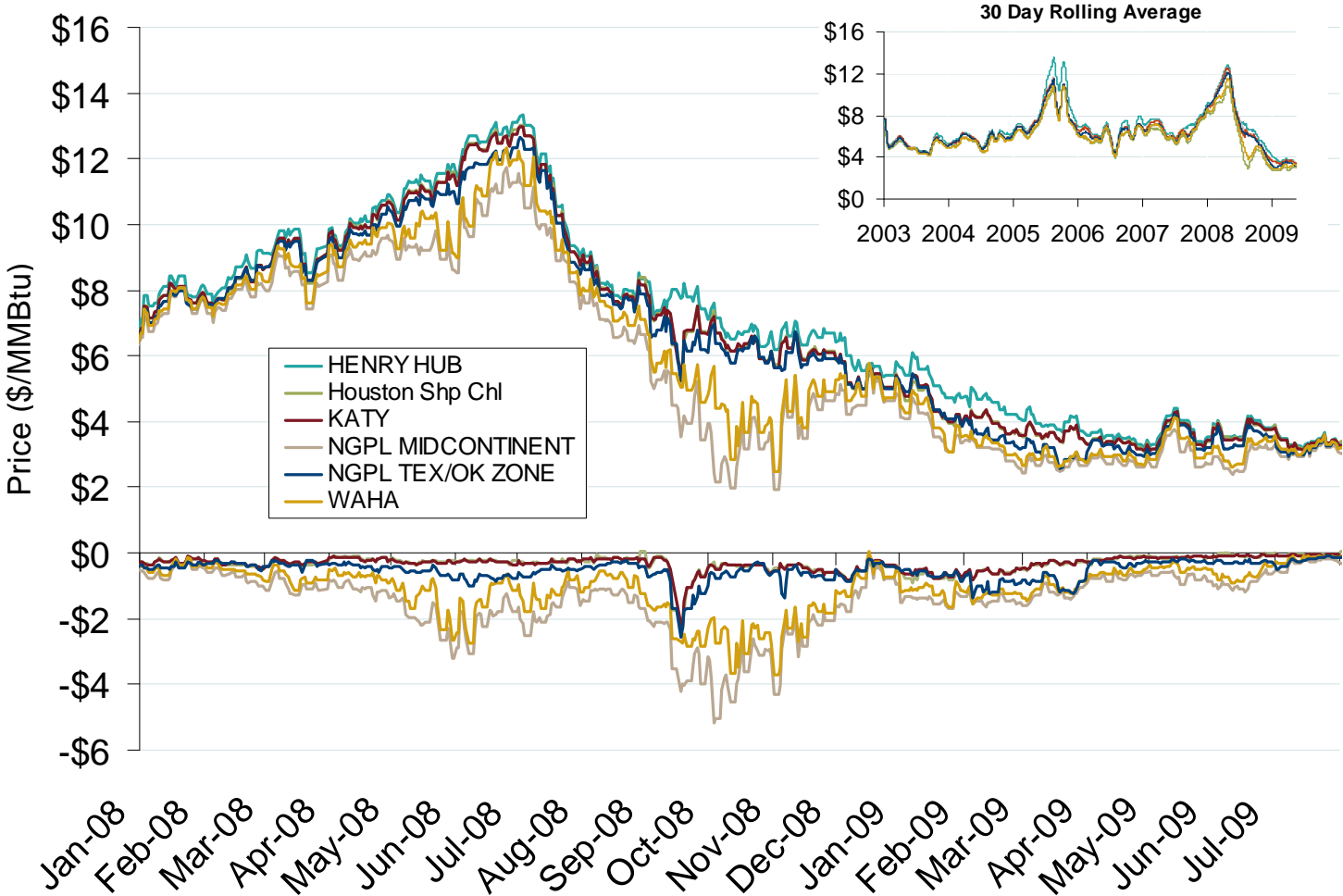


More Shale Gas Flows to Southeast Possible Transco Expansion to the Northeast



Source: Created using Ventyx's Velocity Suite.
August 2009 Southeast Snapshot Report

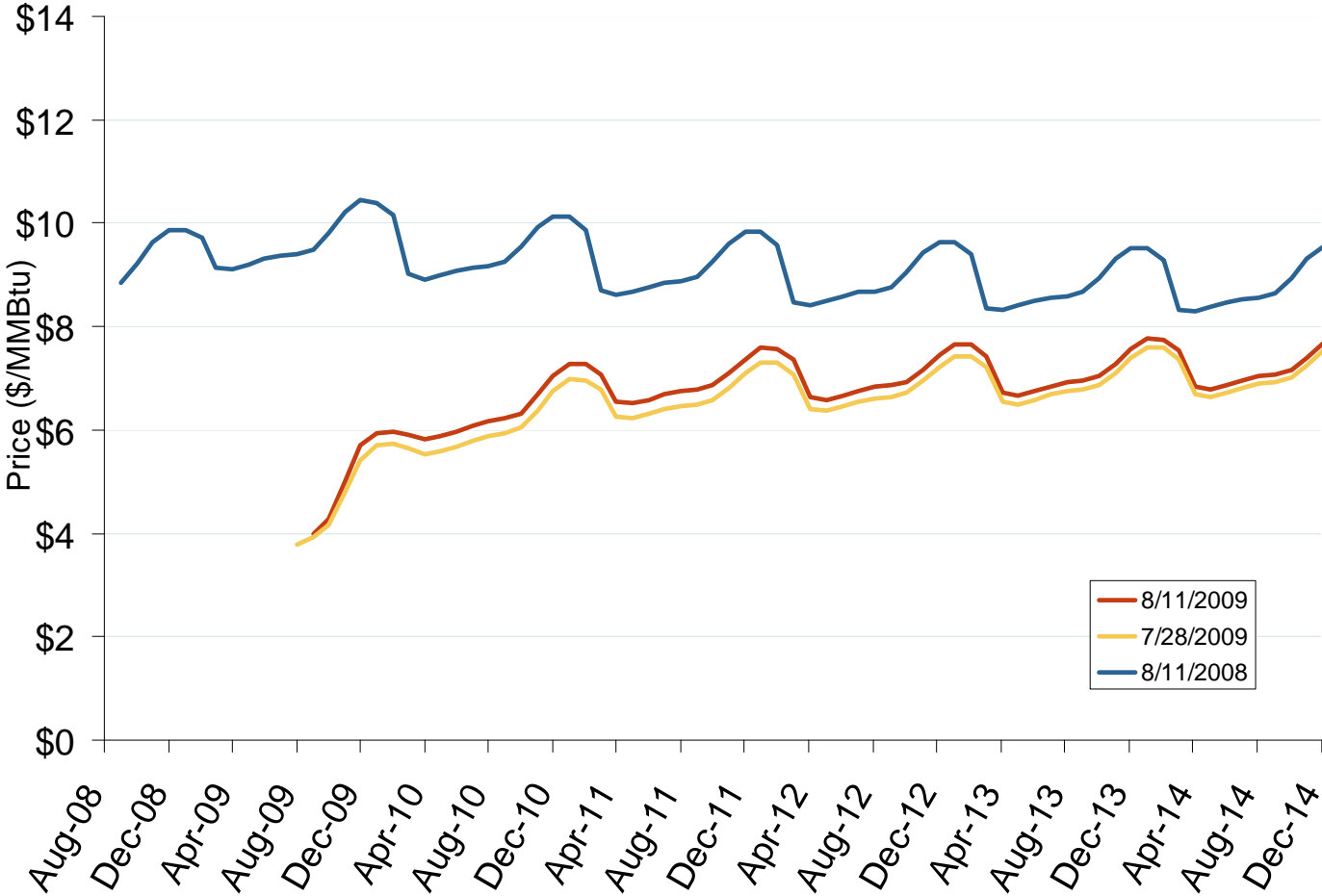
South Central Day-Ahead Hub Spot Prices and Basis



Source: Derived from *Platts* data.
August 2009 Southeast Snapshot Report

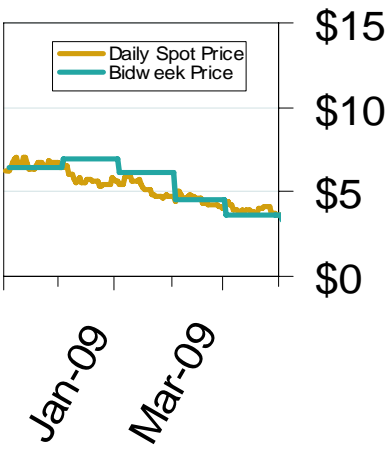
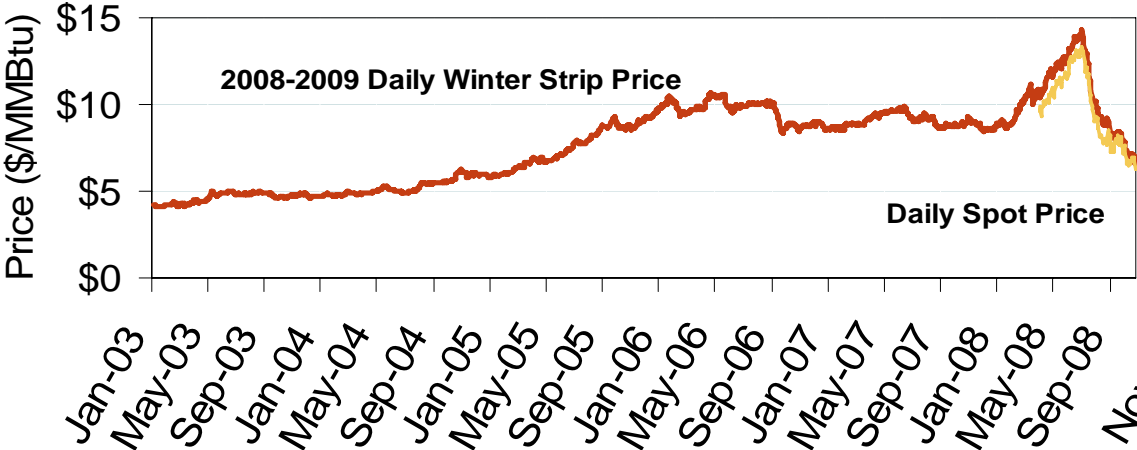
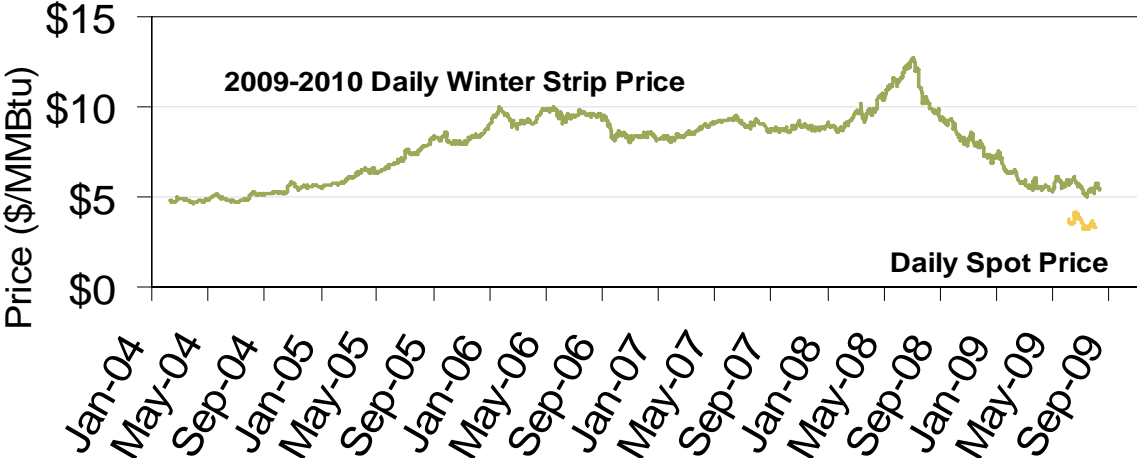
Updated August 7, 2009

NYMEX Natural Gas Forward Price Curve



The NYMEX futures contract trades in 10,000 million Btu units. The blue series shows the forward price curve for these contracts 1-year ago. The red and yellow curves show prices for contracts traded on the current and previous months.

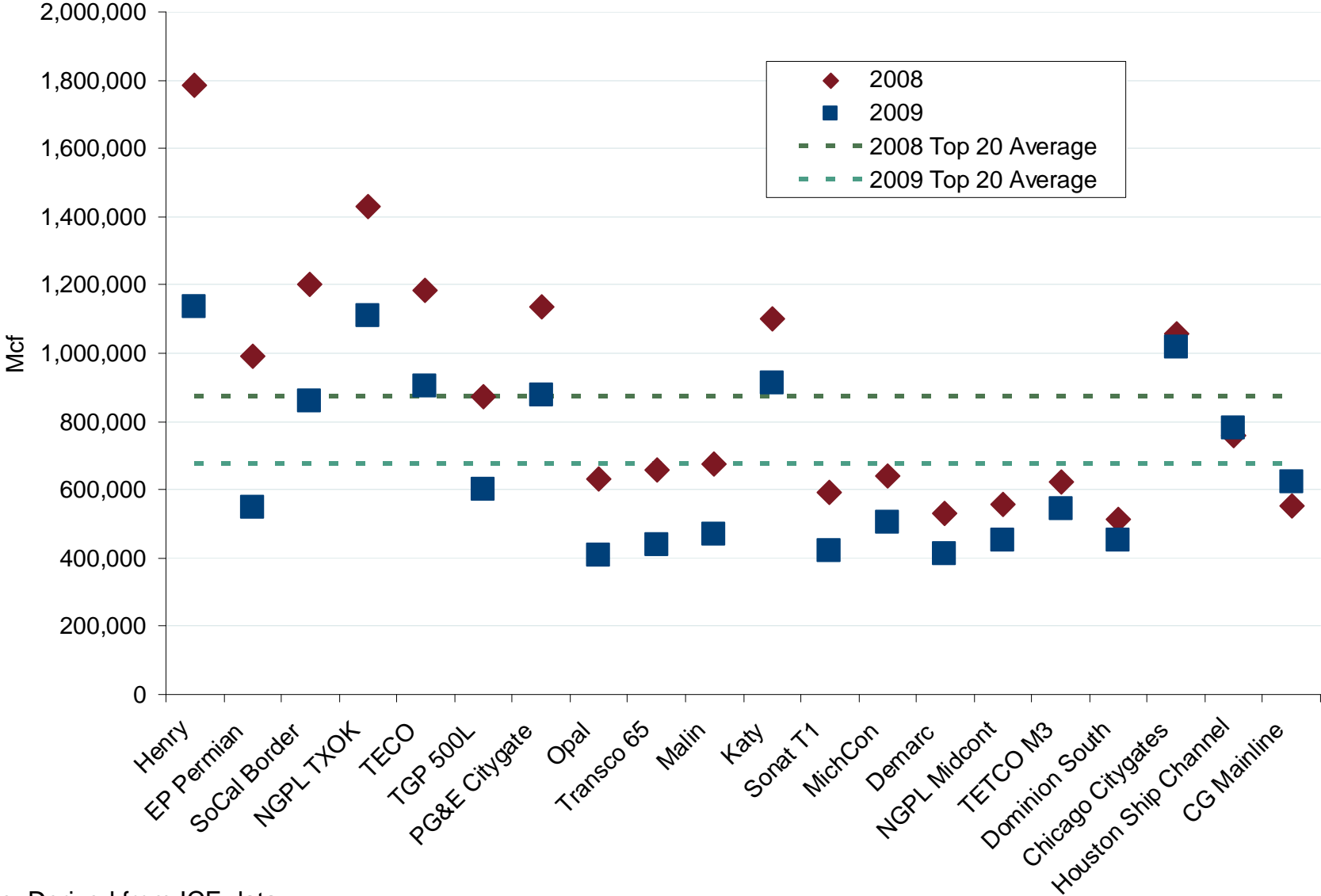
Natural Gas Winter Futures Strip and Daily Henry Hub Spot and Bidweek Prices



Source: Derived from Platts and Nymex data.
August 2009 Southeast Snapshot Report

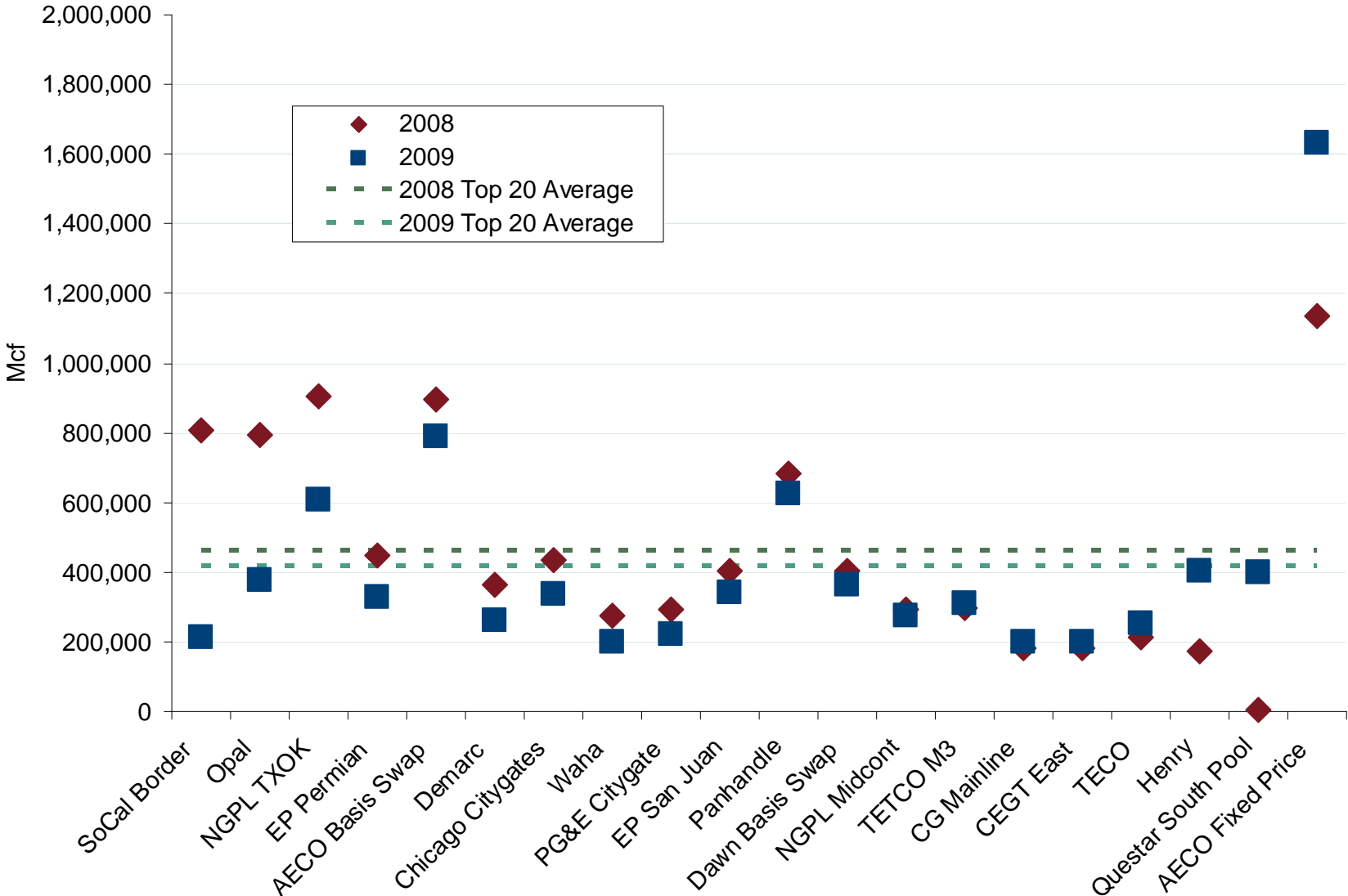
Updated August 7, 2009

Average Daily Day Ahead Volumes on ICE



Source: Derived from ICE data. August 2009 Southeast Snapshot Report

Average Monthly Bidweek Volumes on ICE

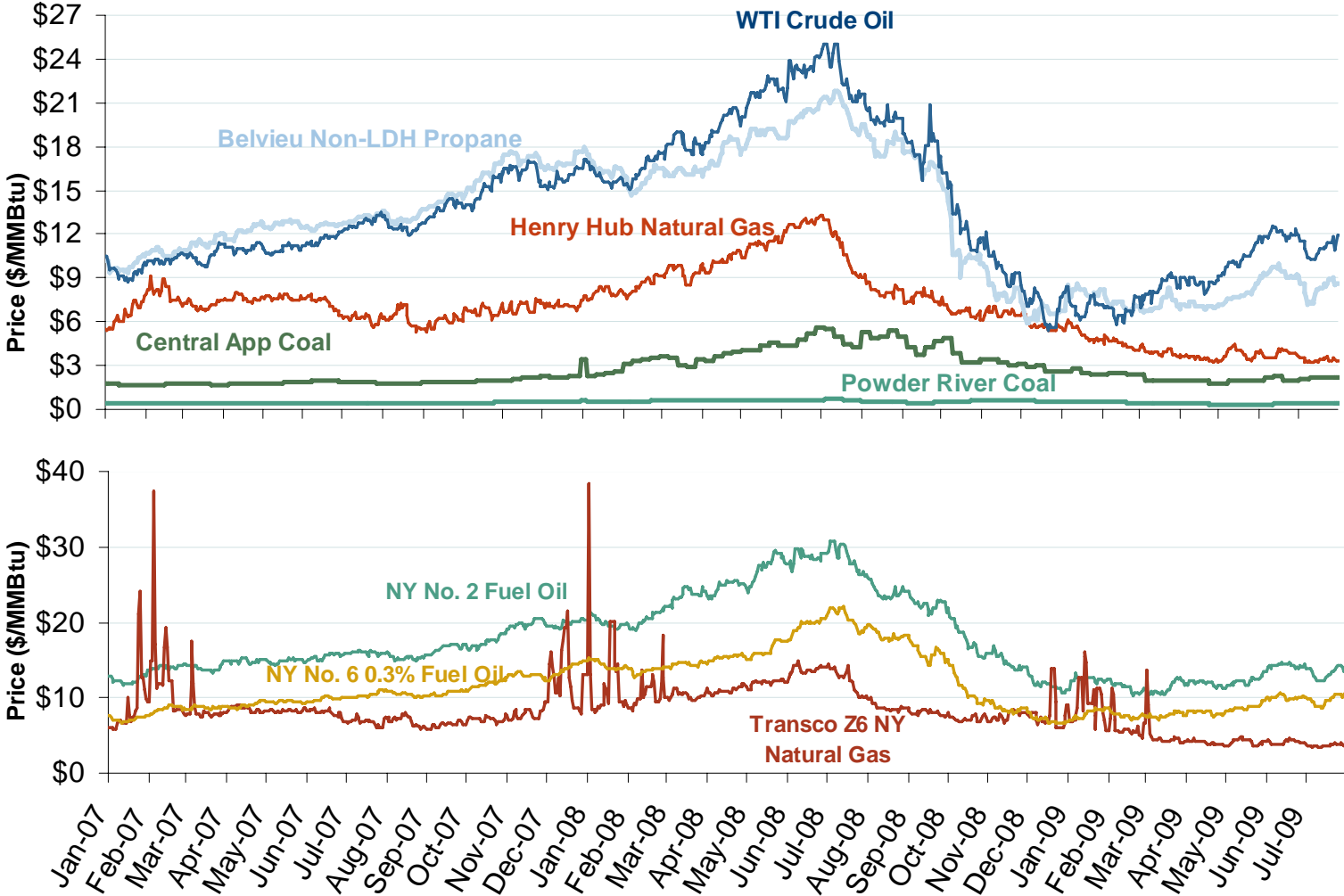


Source: Derived from ICE data. August 2009 Southeast Snapshot Report

Position Limits Established on Contracts & Swaps

- NYMEX position limit of 1,000 NG (4,000 NN) contracts in prompt-month settlement
- Limit applies to Oct-09 contract onward
- ICE to follow suit within 90 days of NYMEX
- Effect will be to move to mid-month & drive trading into the bilateral market
- Proposed legislation to place bilateral deals under similar position limits
- Ultimate effect may drive trading overseas

Oil, Coal, Natural Gas and Propane Daily Spot Prices

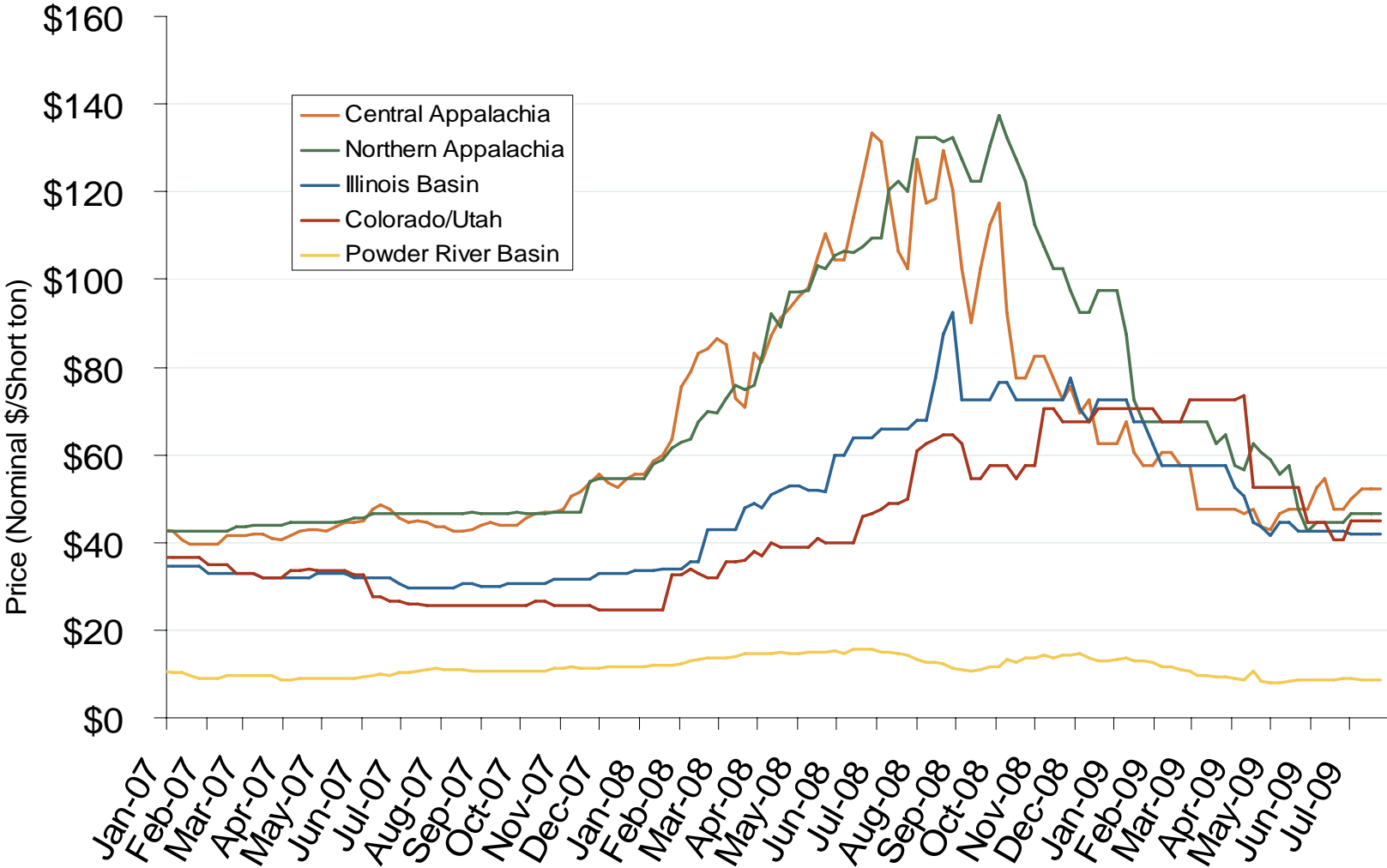


Source: Derived from ICE and Bloomberg data.

Note: Coal prices are quoted in \$/ton. Conversion factors to \$/MMBtu are based on contract specifications of 12,000 btus/pound for Central Appalachian coal and 8800 btus/pound for Powder River Basin coal.

Updated August 7, 2009

Regional Coal Spot Prices

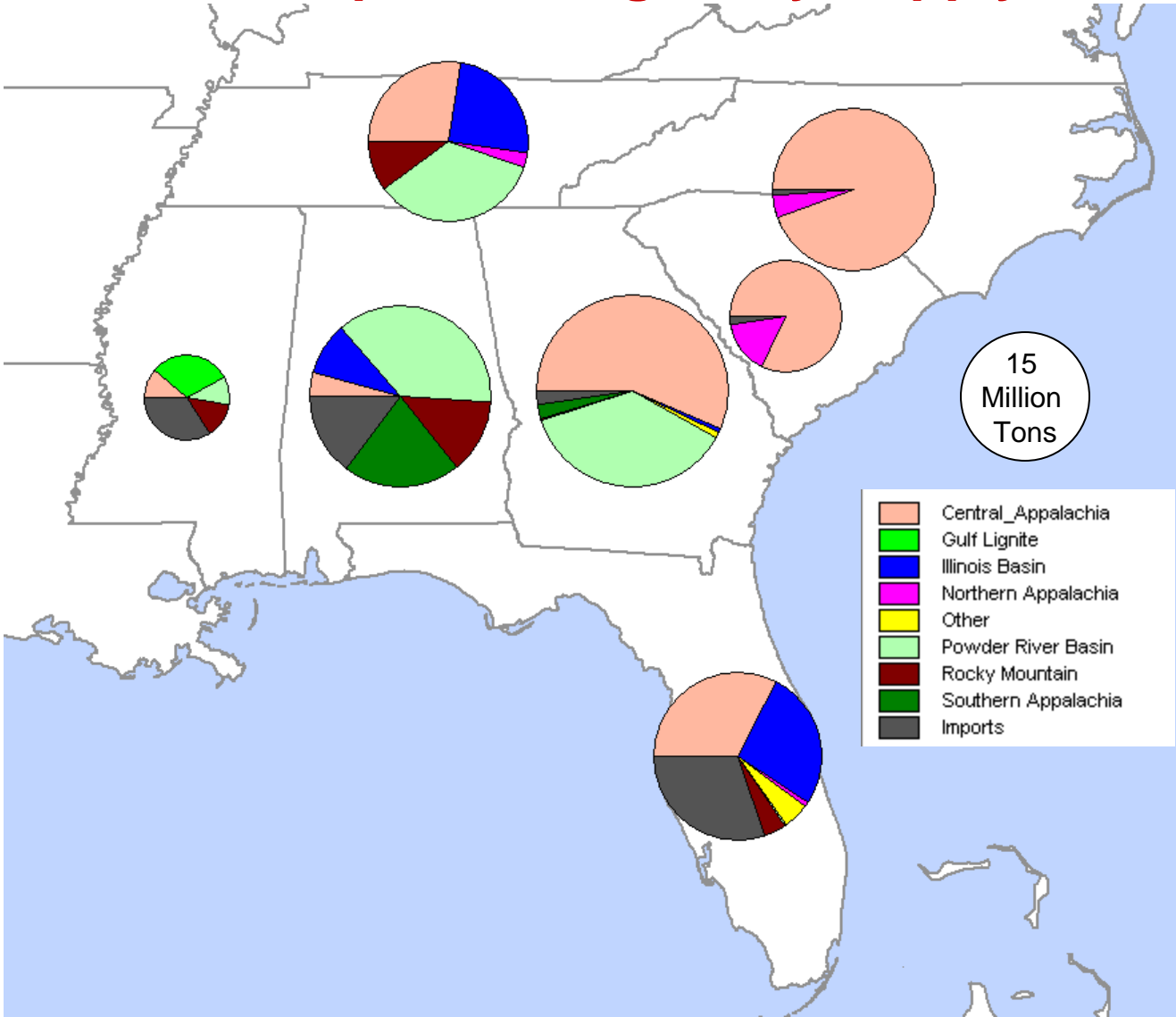


Note: Does not reflect the delivered price of coal; excludes incremental cost of emissions allowances.

Source: Derived from *Bloomberg* data.
August 2009 Southeast Snapshot Report

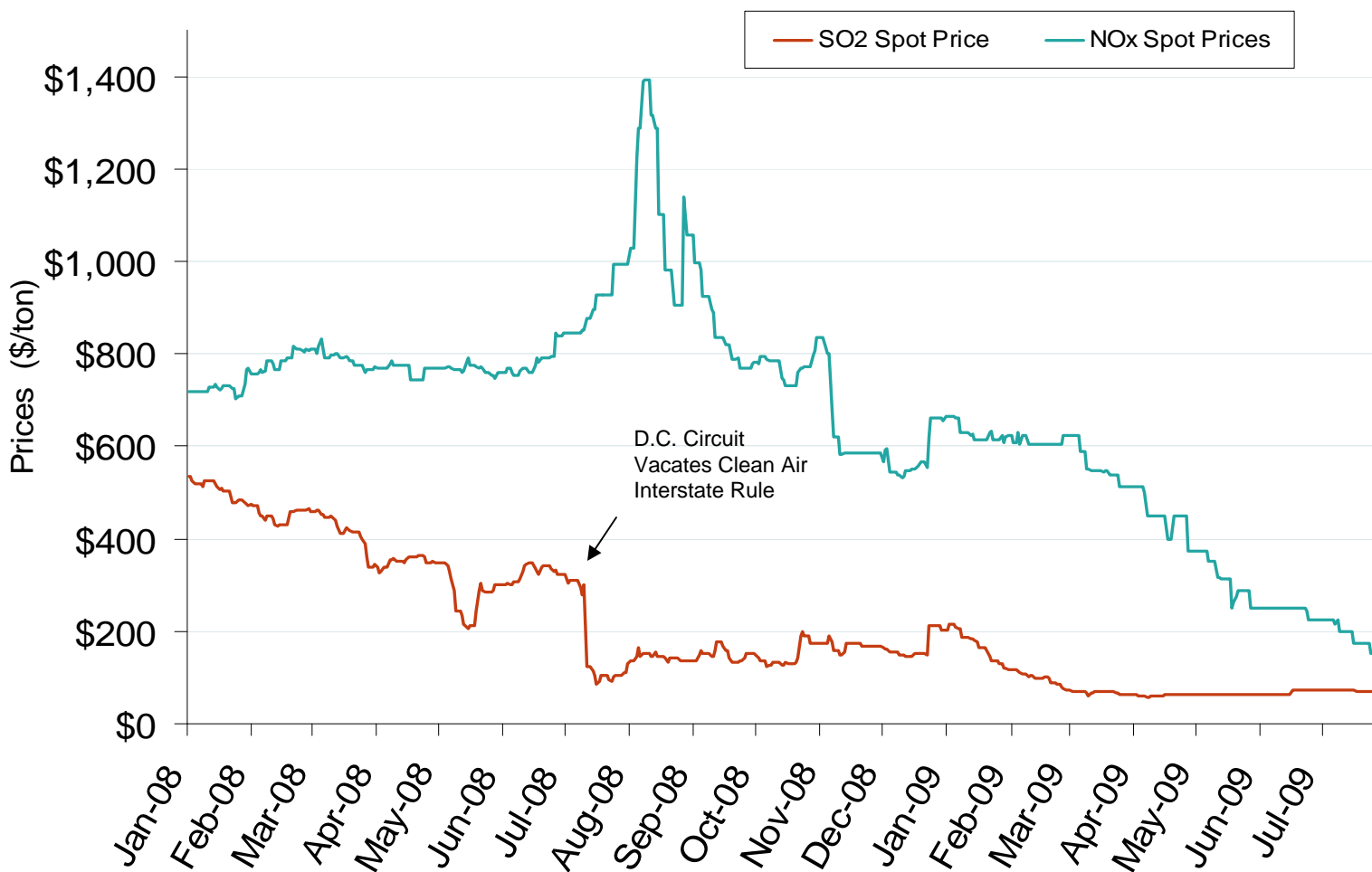
Updated August 7, 2009

2008 Coal Shipment Origins by Supply Basin

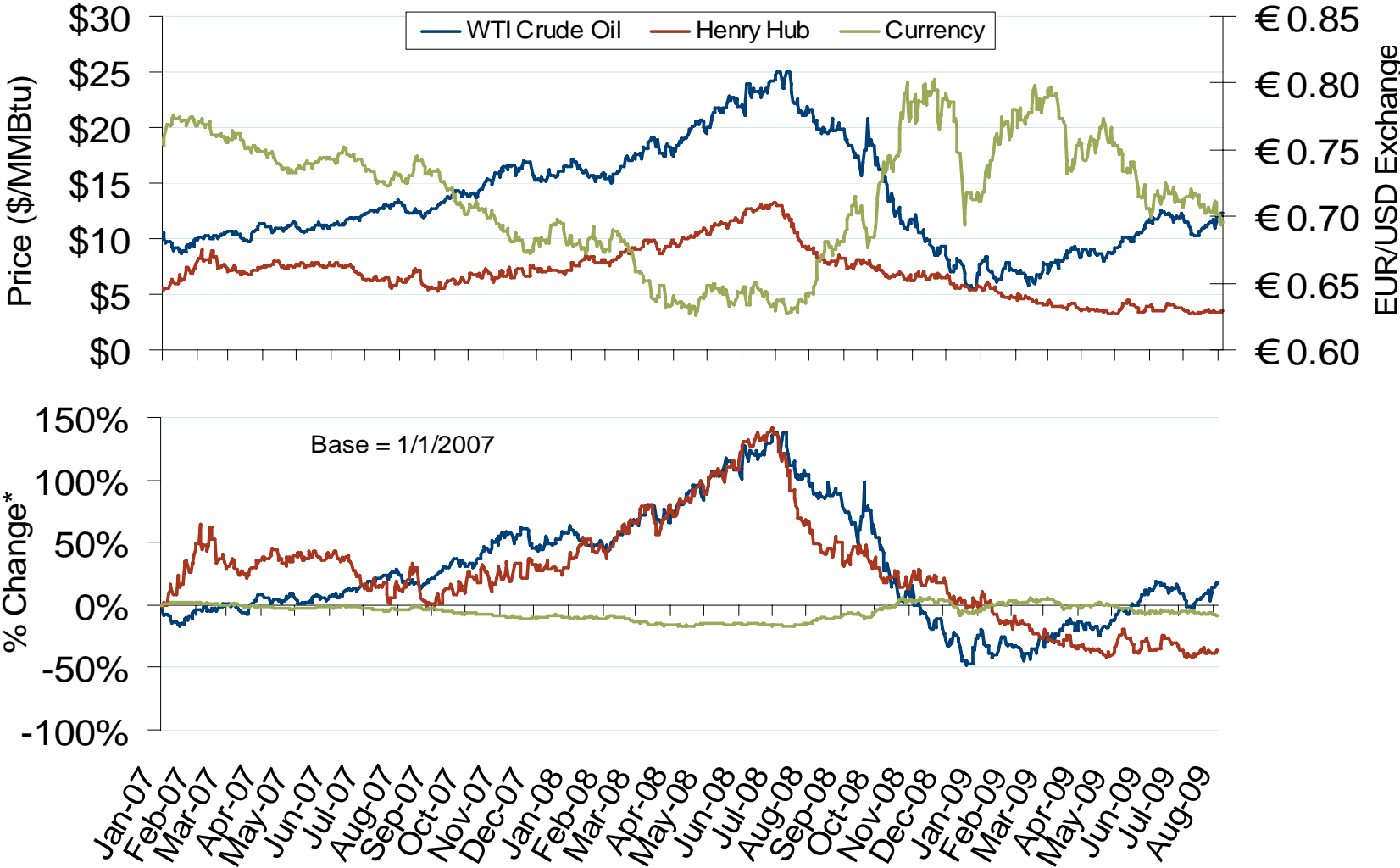


Source: Derived from FERC and EIA data.

SO₂ Allowance Spot Prices and NOx Seasonal Allowance Spot Prices

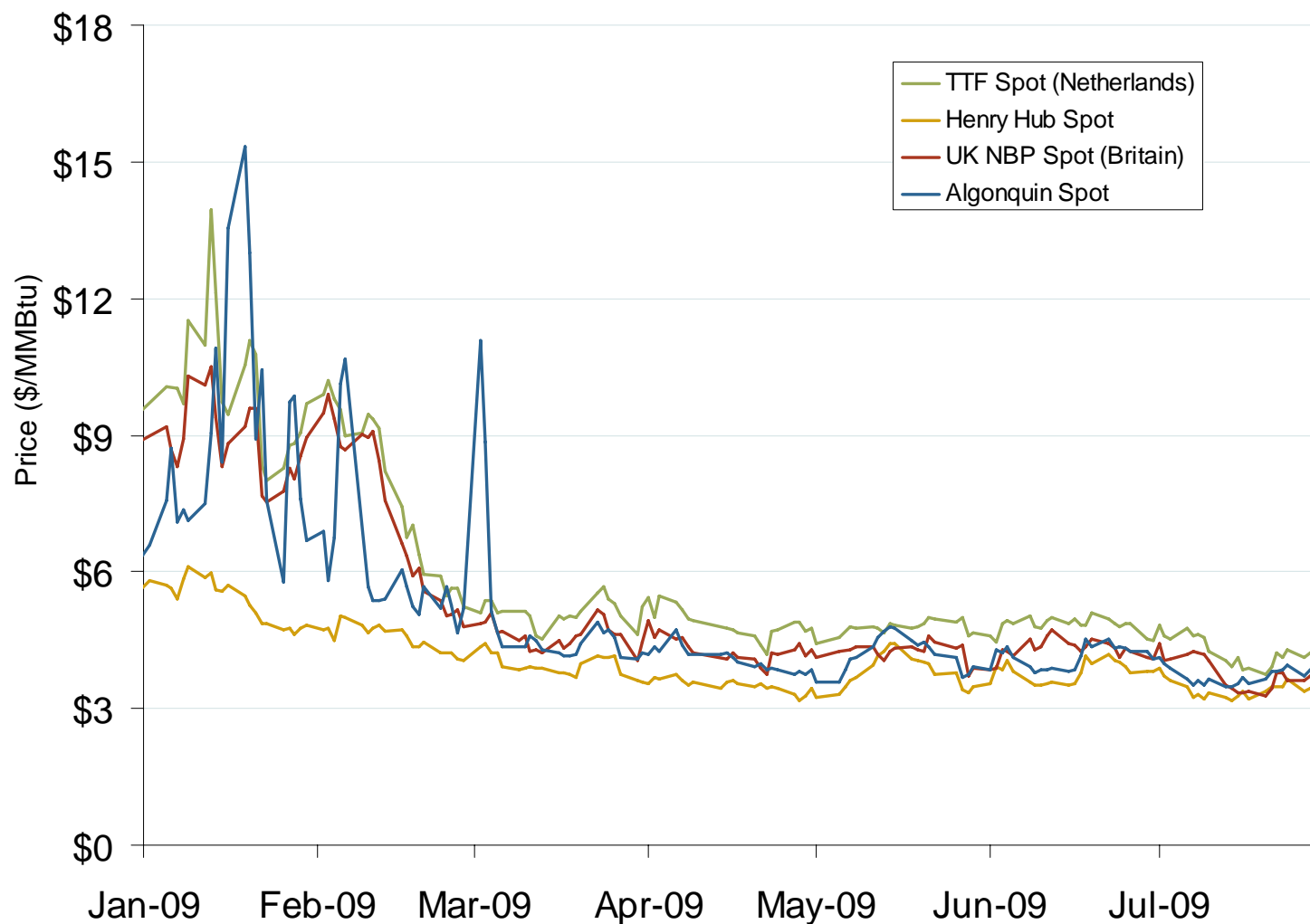


Oil, Natural Gas and Currency Spot Prices



Source: Derived from *Bloomberg* data.

Atlantic Basin European and US Spot Natural Gas Prices



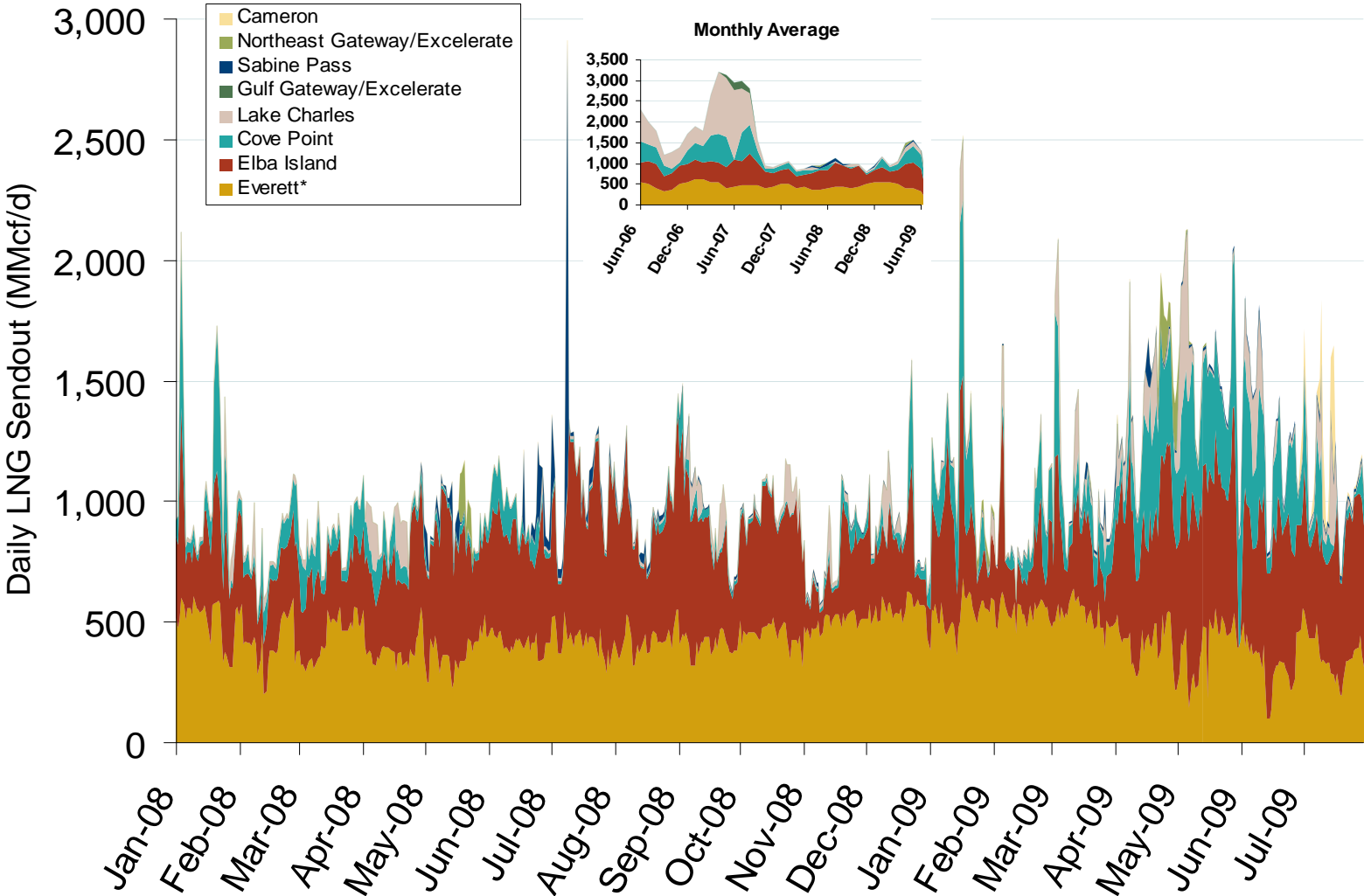
World LNG Estimated August 2009 Landed Prices



Source: Waterborne Energy, Inc. Data in \$US/MMBtu.
August 2009 Southeast Snapshot Report

Updated August 7, 2009

Daily Gas Sendout from Existing U.S. LNG Facilities

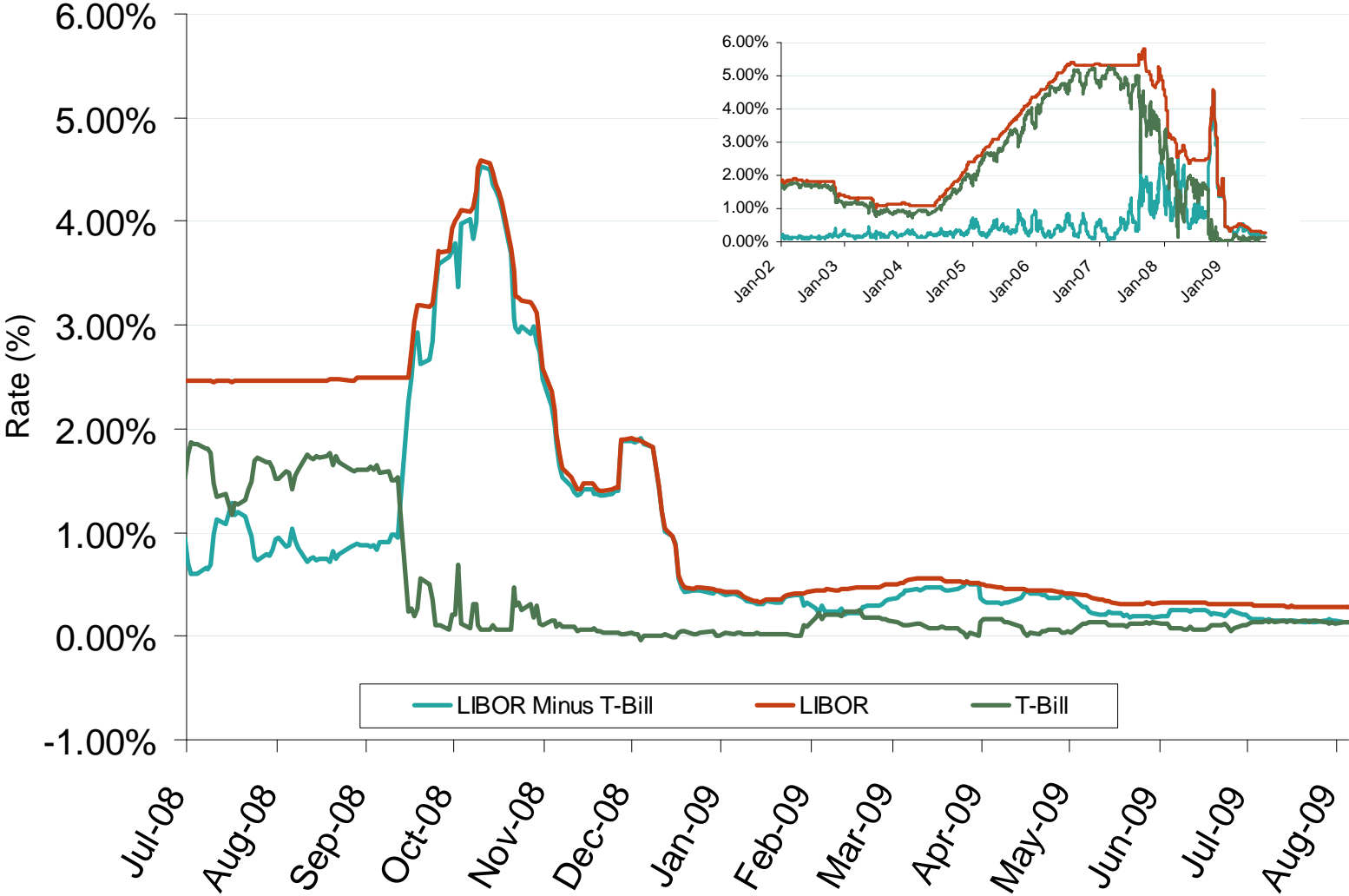


Source: Derived from Bentek data.

* Everett data includes flows onto the AGT and TGP interstate lines, plus estimates of flows to the Mystic 7 power plant, Keyspan Boston Gas, and LNG trucked out of the terminal. Excludes Freeport LNG which flows via intrastate pipelines.

Updated August 7, 2009

One Month LIBOR and One Month US Treasury Bill Rates



Source: Derived from Bloomberg data.
August 2009 Southeast Snapshot Report

Updated August 7, 2009